

SERFF Tracking Number:	PNMU-125593294	State:	Arkansas
Filing Company:	Penn Mutual Life Insurance Company	State Tracking Number:	38712
Company Tracking Number:	FL-08(S)(AR), ETC.		
TOI:	L09I Individual Life - Flexible Premium Adjustable Life	Sub-TOI:	L09I.001 Single Life
Product Name:	Flexible Premium Adjustable Kife		
Project Name/Number:	FL-08(S)(AR), etc. /FL-08(S)(AR), etc.		

Filing at a Glance

Company: Penn Mutual Life Insurance Company

Product Name: Flexible Premium Adjustable Kife
 SERFF Tr Num: PNMU-125593294 State: ArkansasLH

TOI: L09I Individual Life - Flexible Premium Adjustable Life
 SERFF Status: Closed State Tr Num: 38712

Sub-TOI: L09I.001 Single Life
 Co Tr Num: FL-08(S)(AR), ETC. State Status: Approved-Closed
 Filing Type: Form Co Status: Reviewer(s): Linda Bird

Author: Rita Bellew
 Date Submitted: 04/15/2008 Disposition Date: 05/01/2008
 Disposition Status: Approved

Implementation Date Requested: Implementation Date:

State Filing Description:

General Information

Project Name: FL-08(S)(AR), etc.
 Project Number: FL-08(S)(AR), etc.
 Requested Filing Mode: Review & Approval
 Explanation for Combination/Other:
 Submission Type: New Submission
 Overall Rate Impact:

Filing Status Changed: 05/01/2008

State Status Changed: 05/01/2008

Corresponding Filing Tracking Number: FL-08(S)(AR), etc.

Filing Description:

Please see NAIC Transmittal

Status of Filing in Domicile: Pending

Date Approved in Domicile:

Domicile Status Comments:

Market Type: Individual

Group Market Size:

Group Market Type:

Deemer Date:

Company and Contact

Filing Contact Information

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	Adjustable Life		
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Rita Bellew, State Filing Coordinator	bellew.rita@pennmutual.com
VIM C3G	(215) 956-8290 [Phone]
Philadelphia, PA 19172	(215) 956-8145[FAX]

Filing Company Information

Penn Mutual Life Insurance Company	CoCode: 67644	State of Domicile: Pennsylvania
VIM C3G	Group Code: 850	Company Type: Life Insurance and Annuity
Philadelphia, PA 19172	Group Name: Penn Mutual Life Ins. Co.	State ID Number:
(215) 956-8893 ext. [Phone]	FEIN Number: 23-0952300	

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Filing Fees

Fee Required?	Yes
Fee Amount:	\$120.00
Retaliatory?	No
Fee Explanation:	2 policies X 50.00 = 100.00
	1 rider X 20.00 = 20.00

Total = 120.00

Per Company:	No
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CHECK NUMBER	CHECK AMOUNT	CHECK DATE
0842862	\$120.00	03/26/2008

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Linda Bird	05/01/2008	05/01/2008

<i>SERFF Tracking Number:</i>	<i>PNMU-125593294</i>	<i>State:</i>	<i>Arkansas</i>
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Disposition

Disposition Date: 05/01/2008

Implementation Date:

Status: Approved

Comment:

Rate data does NOT apply to filing.

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Project Name/Number: FL-08(S)(AR), etc. /FL-08(S)(AR), etc.

Item Type	Item Name	Item Status	Public Access
Supporting Document	Certification/Notice		Yes
Supporting Document	Application		Yes
Supporting Document	Health - Actuarial Justification		No
Supporting Document	Outline of Coverage		No
Supporting Document	Actuary Memorandums		No
Supporting Document	NAIC Transmittal		Yes
Supporting Document	Stmt of Variability		Yes
Form	Flexible Premium Adjustable Life Insurance Policy		Yes
Form	Flexible Premium Adjustable Life Insurance Policy		Yes
Form	Rider-Overloan Proteciton Benefit Agreement		Yes

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Form Schedule

Lead Form Number: FL-08(S)(AR)

Review Status	Form Number	Form Type Form Name	Action	Action Specific Data	Readability	Attachment
	FL-08(S)(AR)	Policy/Cont Flexible Premium ract/Fratern Adjustable Life al Insurance Policy Certificate	Initial		50	Policy (S)(AR).pdf
	FL-08(U)(AR)	Policy/Cont Flexible Premium ract/Fratern Adjustable Life al Insurance Policy Certificate	Initial		50	Policy(U)(AR) .pdf
	OPBA-08	Policy/Cont Rider-Overloan ract/Fratern Proteciton Benefit al Agreement Certificate: Amendmen t, Insert Page, Endorseme nt or Rider	Initial		53	OPBA-08.pdf

The Penn Mutual Life Insurance Company

Founded 1847

Insured	[William Penn]	[\$100,000]	Specified Amount
Policy Number	[00000000]	[April 1, 2008]	Policy Date

The Penn Mutual Life Insurance Company agrees, subject to the provisions of this policy, to pay the Death Benefit to the Beneficiary upon receipt of due proof of the death of the Insured while this policy is in force and before the Maturity Date.

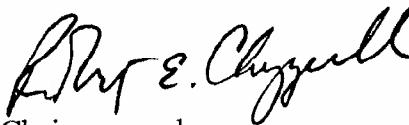
The Company also agrees to provide all of the other benefits stated in this policy.

This contract is made in consideration of the payment of premiums as provided in this policy.

The provisions on this and the following pages are part of this policy.

Executed on the Date of Issue by The Penn Mutual Life Insurance Company.

[
Managing Corporate Counsel
and Secretary

[
Chairman and
Chief Executive Officer

FREE LOOK PERIOD - This policy may be cancelled by returning it within 10 days after it is received by the owner. It must be returned to Penn Mutual or to the agent through whom it was purchased. This policy will then be considered void as of its inception. Any premium paid on it will be refunded.

READ YOUR POLICY CAREFULLY. This policy is a legal contract between the Owner and the Company.



Flexible Premium Adjustable Life Insurance Policy

- Death Benefit payable at death prior to Maturity Date
- Maturity Benefit Payable at Maturity Date
- Flexible premiums payable until Maturity Date
- Participating
- Supplemental benefits, if any, listed on Page 3

[The Penn Mutual Life Insurance Company, Philadelphia, Pennsylvania 19172]
FL-08(S)(AR)

Guide to Policy Sections

1	Policy Specifications
2	Endorsements
3	Qualification as Life Insurance
4	Premiums
5	Lapse and Reinstatement
6	Policy Loans
7	Owner and Beneficiary

8	Death and Maturity Benefits
9	Surrender of Policy
10	Basis of Computation of Values
11	Policy Changes
12	General Provisions
13	Income Payment Options
14	Income Payment Option Tables

Additional Policy Specifications, any supplemental agreements and a copy of any applications follow Section 14

Alphabetical Index

	Section
Accumulated Premiums	4
Accumulated No-Lapse Premiums	4
Age	1,12
Annual Report	12
Assignment	7,13
Basic Death Benefit	8
Beneficiary	1,7
Cash Surrender Value	9
Cash Value Accumulation Test	3
Continuation of Insurance	4
Contract	12
Cost of Insurance	10
Cost of Insurance Rates	10
Date of Issue	1
Death Benefit	8
Deferral of Maturity	12
Expense Charge	10
Free Look Period	Cover
Grace Period	4
Guideline Premium Test	3
Income Payment Options	13
Income Payment Option Tables	14
Incontestability	12
Indebtedness	6
Interest Rate	10
Lapse	5
Loan Interest	6
Loan Value	6

	Section
Maturity Benefit	8
Maturity Date	1
Misstatement of Age or Sex	12
Monthly Anniversary	12
Monthly Deduction	10
Net Cash Surrender Value	9
Net Policy Value	9
No-Lapse Premium	1,4
No-Lapse Date	1
Owner	1,7
Partial Surrender	9
Participation	12
Percent of Premium Load	1
Policy Date	1,12
Policy Loans	6
Policy Payments	12
Policy Value	10
Projections of Benefits & Values	12
Premiums	1,4
Rate Class	1
Reinstatement	5
Right to Make a Change	11
Schedule of Benefits	1
Schedule of Premiums	1
Specified Amount	1,11
Suicide Exclusion	8
Surrender	9
Surrender Charge	9
Systematic Partial Surrender Program	9

1. Policy Specifications

INSURED	[WILLIAM PENN]	[\$100,000]	SPECIFIED AMOUNT (INCLUDES POLICY VALUE)
POLICY NUMBER	[0 000 000]	[APRIL 1, 2008]	POLICY DATE
AGE	[35 MALE]	[STANDARD NONTOBACCO]	RATE CLASS

LIFE INSURANCE QUALIFICATION TEST IS GUIDELINE PREMIUM TEST

MATURITY DATE IS [APRIL 1, 2094]
DATE OF ISSUE IS THE POLICY DATE

OWNER AND BENEFICIARY AS PROVIDED IN APPLICATION

Schedule of Benefits

Description	Amount
FLEXIBLE PREMIUM ADJUSTABLE LIFE INSURANCE POLICY OVERLOAN PROTECTION BENEFIT AGREEMENT ---	\$100,000 SPECIFIED AMOUNT

THE OVERLOAN PROTECTION BENEFIT AGREEMENT SPECIFIED LOAN PERCENTAGE IS [96%]

Schedule of Planned Premiums

THE INITIAL PREMIUM OF [\$1,171.51] WAS PAID ON THE POLICY DATE FOR 12 MONTHS. SUBSEQUENT
PLANNED PREMIUMS ARE PAYABLE ANNUALLY AS FOLLOWS:

BEGINNING AS OF	PLANNED PREMIUM
[APRIL 1, 2009]	[\$1,171.51]

THE NO LAPSE DATE IS [APRIL 1, 2094]

NOTE: INSURANCE WILL TERMINATE IF THE PREMIUMS PAID AND THE INTEREST CREDITED ARE
INSUFFICIENT TO COVER THE MONTHLY DEDUCTIONS, EXCEPT AS PROVIDED IN SECTION 4.

SECTION 7702A OF THE INTERNAL REVENUE CODE OF 1986 ESTABLISHES A CLASS OF LIFE INSURANCE
CONTRACTS DESIGNATED AS "MODIFIED ENDOWMENT CONTRACTS." THE RULES RELATING TO WHETHER A
POLICY WILL BE TREATED AS A MODIFIED ENDOWMENT CONTRACT ARE EXTREMELY COMPLEX. PLEASE
CONSULT WITH A QUALIFIED TAX ADVISOR REGARDING YOUR OWN PERSONAL SITUATION.

1. Policy Specifications

Schedule of Surrender Charges

Maximum Surrender Charge Premium

\$ 730.00

Initial Maximum Surrender Charge

\$ 657.00

Table of Surrender Charge Factors

Policy Year	Surrender Factor	Policy Year	Surrender Factor
1	100%	9	41%
2	90	10	34
3	83	11	27
4	76	12	20
5	69	13	13
6	62	14	6
7	55	15 and later	0
8	48		

Schedule of Policy Loads and Expense Charges

Maximum percent of premium load

15%

(applied to each premium applied to the policy)

Maximum per policy monthly expense charge

\$9.00

Maximum Monthly Expense charge per \$1,000 of Specified Amount
(for the first 120 months following the policy date)

\$0.310

Maximum Monthly Expense charge per \$1,000 of Specified Amount
(for the first 120 months following an increase in Specified Amount)

As shown on Page 21

One time charge for the Overloan Protection Benefit Agreement

3.5%

Schedule of Interest Rates

Guaranteed Interest Rate

3% Effective Annual Rate

Death Benefit Discount Factor

1.0024663

2. Endorsements

To be made only by the Company

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left blank.**

3. Qualification as Life Insurance

The life insurance qualification test for this policy will be the Guideline Premium Test unless otherwise elected in the application. The Life Insurance Qualification Test for this Policy is shown on Page 3. The test may not be changed at anytime after the policy is issued.

The Company will limit premium payments as necessary in order to qualify the policy as a life insurance contract under Section 7702. This contract may be unilaterally amended or modified to satisfy applicable law. The owner shall be permitted to refuse any such change unless noncompliance violates state or federal law. No payment will be returned or refused if it is necessary to continue coverage.

Guideline Premium Test - Under this test, the amount of premium that can be paid in a policy year may not exceed the Maximum Premium Limit. The Maximum Premium Limit for a policy year is the largest amount of premium which can be paid in that policy year such that the sum of the premiums paid under the policy will not at any time exceed the guideline premium limitation referred to in Section 7702 of the Internal Revenue Code of 1986, as amended, or as set forth in any applicable successor thereto. The Maximum Premium Limit for the following policy year will be shown on the Annual Report sent to the Owner.

In addition, a minimum margin must exist between the death benefit and the Policy Value. The margin is defined in Section 7702 and is based on the attained age of the Insured. The Basic Death Benefit of the policy will be adjusted accordingly with factors shown in the Table of Death Benefit Factors to satisfy the requirements of this portion of the test. See the Death Benefit Section for further details.

Cash Value Accumulation Test - Under this test, the Policy Value cannot at any time exceed the net single premium required to fund the future benefits under the policy. The net single premium is defined in Section 7702 of the Internal Revenue Code. The Basic Death Benefit of the policy will be adjusted accordingly with factors shown in the Table of Death Benefit Factors to satisfy the requirements of this test. See the Death Benefit Section for further details.

The Company reserves the right to restrict Policy transactions as necessary in order to qualify the policy as a life insurance contract under Section 7702. If it is subsequently determined that policy does not satisfy Section 7702, the Company may take whatever steps are appropriate and necessary to attempt to cause such a policy to comply with Section 7702.

4. Premiums

Payment of Premiums - Premiums are payable while this policy is in force until the Maturity Date. The first premium is due on the Policy Date. Premiums after the Policy Date may be paid in any amount and at any interval subject to the following conditions:

- (1) No premium payment may be less than \$25.
- (2) The Company requires submission of evidence of insurability on subsequent premiums that cause an immediate increase in the difference between the Death Benefit and the Policy Value. The increase in the difference between the Death Benefit and the Policy Value will be incontestable with respect to statements made in the evidence of insurability for that increase after the increase has been in force during the life of the Insured for two years from its effective date. Any application for such increase will be attached to and made a part of the policy.
- (3) If the Guideline Premium Test is in effect, total premiums paid in any policy year may not exceed the Maximum Premium Limit for that policy year. If excessive premium is paid the Company will refund only the portion that is over the Maximum Premium Limit. No payment will be returned or refused if it is necessary to continue coverage.

4. Premiums (continued)

Each premium after the first is payable at the Company's Home Office. A receipt signed by the President or the Secretary will be given on request.

No-Lapse Guarantee – This policy will not lapse as a result of a Net Cash Surrender Value insufficient to cover the Monthly Deduction for the following month if, on a monthly anniversary prior to the Maturity Date shown on Page 3, the No-Lapse Guarantee Requirement is satisfied.

No-Lapse Guarantee Requirement – The No-Lapse Guarantee Requirement is satisfied if, on a monthly anniversary prior to the Maturity Date shown on Page 3, the No-Lapse Guarantee Account less any outstanding indebtedness exceeds zero.

The No-Lapse Guarantee Requirement is not satisfied if the indebtedness is greater than the Cash Surrender Value.

Note that the No-Lapse Guarantee Account, the No-Lapse Percent of Premium Charge, the No-Lapse COI Charges, and the No-Lapse Interest Rates are not used to determine values and benefits under the policy. These values are only used to determine whether or not the No-Lapse Guarantee Requirement is satisfied.

The Company reserves the right to determine that the No-Lapse Guarantee Requirement has not been satisfied if at any time after a change of Owner or Beneficiary, the Company concludes that the new Owner or new Beneficiary would not have had an insurable interest in the Insured at the time the policy was issued. In addition, the Company reserves the right to determine that the No-Lapse Guarantee Requirement has not been satisfied if at any time, a new Owner or new Beneficiary has obtained the policy ownership and/or policy beneficiary designation with the intent to transfer ownership or any other benefits under the policy to a third party that does not possess an insurable interest in the Insured.

No-Lapse Guarantee Account – On the Policy Date, the No-Lapse Guarantee Account is the initial premium paid less the sum of:

- (a) the applicable No-Lapse Percent of Premium Charge shown in the Additional Policy Specifications; and
- (b) the applicable No-Lapse COI Charge for Base Coverage; and
- (c) the applicable No-Lapse COI Charge for each Additional Insured Rider.

On each Monthly Anniversary while this agreement is in force, the No-Lapse Guarantee Account is the sum of:

- (a) the No-Lapse Guarantee Account on the preceding Monthly Anniversary;
- (b) one month's interest on (a) using the applicable No-Lapse Interest Rate shown in the Additional Policy Specifications;
- (c) any premium paid since the preceding Monthly Anniversary reduced by the applicable No-Lapse Percent of Premium Charge; and
- (d) interest on (c) using the applicable No-Lapse Interest Rates from the date of receipt in the Home Office to the Monthly Anniversary;

less the sum of:

- (a) any partial surrender since the preceding Monthly Anniversary;
- (b) interest on (a) using the applicable No-Lapse Interest Rates from the date of surrender to the Monthly Anniversary;
- (c) the applicable No-Lapse COI Charge for Base Coverage; and
- (d) the applicable No-Lapse COI Charge for each Additional Insured Rider.

No-Lapse Interest Rate – The No-Lapse Interest Rate applied to the No-Lapse Guarantee Account is tiered based on the amount of the No-Lapse Guarantee Account as shown in the Additional Policy Specifications. The tiers are set at issue for the first policy year and then increase each policy year by the No-Lapse Tier Growth Percentage shown in the Additional Policy Specifications.

4. Premiums (continued)

No-Lapse COI Charge – The No-Lapse COI Charge is determined on a monthly basis. For Base Coverage, it is calculated as (a) multiplied by (b) where:

- (a) is the applicable No-Lapse COI Rate shown in the Additional Policy Specifications; and
- (b) is the No-Lapse Net Amount at Risk.

For each Additional Insured Rider, it is calculated as (a) multiplied by (b) where:

- (a) is the applicable No-Lapse COI Rate for the Additional Insured Coverage shown in the Additional Policy Specifications; and
- (b) is the Specified Amount of the Additional Insured Coverage, as shown on Page 3.

No-Lapse Net Amount at Risk – The No-Lapse Net Amount at Risk is equal to (a) minus (b) where:

- (a) is the Specified Amount at the beginning of the policy month, divided by the Death Benefit Discount Factor shown on Page 3; and
- (b) is the No-Lapse Guarantee Account at the beginning of the policy month before the deduction of No-Lapse COI Charges.

Changes in the Specified Amount, the addition, deletion or change of any supplemental agreements to this policy, or a change in the rate class of the Insured before the No-Lapse Date may impact the amount of the No-Lapse Guarantee Account. As a result, additional premiums may be required on the date of change in order to meet the No-Lapse Guarantee Requirement.

Continuation of Insurance - If premium payments cease or if insufficient premiums are paid, the insurance provided under this policy, including benefits provided by any supplemental agreements attached to this policy, will continue, subject to the Grace Period provision, in accordance with the provisions of this policy and any such supplemental agreements for as long as the Net Cash Surrender Value is sufficient to keep it in force, or if the No-Lapse Guarantee Account less any outstanding indebtedness exceeds zero as described in the No-Lapse Guarantee Requirement provision above.

Grace Period - If, on a Monthly Anniversary prior to the Maturity Date shown on Page 3:

- (a) the Net Cash Surrender Value is insufficient to cover the Monthly Deduction for the following policy month; and
- (b) the No-Lapse Guarantee Requirement is not met,

then a grace period of 61 days will be allowed for the payment of premium sufficient to keep this policy in force. The payment required is the lesser of the Monthly Deduction or the amount necessary to meet the No-Lapse Guarantee Requirement.

Notice of the amount of premium sufficient to keep this policy in force will be sent to the last known address of the Owner. The notice will be sent at least 30 days before the end of the 61-day grace period. This policy will remain in force during the grace period.

5. Lapse and Reinstatement

Lapse - If a premium sufficient to keep this policy in force is not paid during the grace period, this policy will lapse at the end of the grace period. At lapse this policy will terminate without value and cease to be in force. Any deduction for the Cost of Insurance after termination will not be considered a reinstatement of the policy nor a waiver by the Company of the termination.

5. Lapse and Reinstatement (continued)

Reinstatement - This policy may be reinstated within five years after lapse. A reinstatement is subject to:

- (a) the submission of evidence of insurability satisfactory to the Company;
- (b) the payment or reinstatement of any indebtedness which existed at the end of the grace period; and
- (c) the payment of a premium sufficient to cover the lesser of: (i) the amount necessary to meet the No-Lapse Guarantee Requirement at the date of reinstatement and for three policy months following the reinstatement date, or (ii) an amount to make the Cash Surrender Value positive plus the monthly deductions for the three policy months following the reinstatement date.

The effective date of a reinstatement will be the date of approval by the Company of the application for reinstatement. Such application will be attached to and made a part of the reinstated policy. Following reinstatement, the Policy Date continues to be the date shown on Page 3.

The policy value on the date of reinstatement is the sum of:

- (a) the policy value at the beginning of the grace period of lapse, including any indebtedness;
- (b) interest on (a) at the minimum interest rate per year until the date of reinstatement;
- (c) any dividend credited to the policy;
- (d) interest on (c) at the minimum interest rate until the date of reinstatement; and
- (e) the payment made upon reinstatement reduced by the percent of premium charge

less the sum of:

- (a) the Monthly Deductions for the grace period;
- (b) interest on (a) at the minimum interest rate per year until the date of reinstatement; and
- (c) the Monthly Deduction for the policy month following the date of reinstatement.

The surrender charge set forth in the Surrender of Policy Section will continue to apply to any surrender of this policy following reinstatement. The surrender charge will be calculated based on the policy date and will include the period while the policy was lapsed.

Following reinstatement, the provisions of the No-Lapse Guarantee set forth in Section 4 will again be applicable until the Maturity Date shown on Page 3.

6. Policy Loans

The Owner may obtain a loan while this policy is in force during the life of the Insured. The loan, plus any existing indebtedness, may not be greater than the Loan Value of this policy on the date of the loan.

The Company may defer making a loan for up to six months from the date of the loan request. However, a loan to pay a premium due on a policy issued by the Company will not be deferred.

Loan Value - The Loan Value is that amount which, with interest at the then current loan interest rate on this policy, will accumulate at the next policy anniversary to (a) less (b), where:

- (a) is the Cash Surrender Value on the date as of which the Loan Value is being determined; and
- (b) is the Monthly Deductions for the period from the date as of which the Loan Value is being determined until the next policy anniversary.

6. Policy Loans (continued)

Loan Interest - Loans will bear interest at an adjustable loan interest rate. The loan interest rate will be determined by the Company as of the first day of each calendar year. Such rate will be effective on the date as of which it is determined and will apply to any new or outstanding loan under this policy during the next calendar year.

The loan interest rate will be determined by comparing the loan interest rate in effect for the preceding calendar year with a maximum interest rate defined by law and described below. Any change in the loan interest rate will be subject to the following:

- (1) The loan interest rate will be lowered to be equal to or less than the legal maximum interest rate if such legal maximum interest rate is 1/2% or more lower than the loan interest rate in effect during the preceding calendar year.
- (2) The loan interest rate may be increased, by at least 1/2% but not higher than the legal maximum interest rate, if the legal maximum interest rate is 1/2% or more higher than the loan interest rate in effect during the preceding calendar year.

The legal maximum interest rate used in determining the loan interest rate is the greater of:

- (a) Moody's Corporate Bond Yield Average—Monthly Average Corporates as published by Moody's Investors Service, Inc. for the calendar month ending two months prior to the date as of which the loan interest rate is determined; or
- (b) the minimum interest rate used to calculate policy values under this policy plus 1 percentage point per year.

If Moody's Corporate Bond Yield Average - Monthly Average Corporates is no longer published, the rate used in its place will be as established by law or by regulation of the insurance supervisory official of the jurisdiction in which this policy is delivered.

The Company will:

- (a) notify the Owner of the initial loan interest rate at the time that a loan is made; and
- (b) if there is a loan outstanding on this policy, give the Owner advance notice of any increase in the loan interest rate.

Loan interest is due and payable at the end of each policy year. If the interest is not paid when due, it will be added to the loan. It will then bear interest at the rate of interest on loans.

Indebtedness - Indebtedness means outstanding loans on this policy plus any loan interest due or accrued. Indebtedness may be repaid in full or in part at any time while this policy is in force during the life of the Insured. This policy is the only security for indebtedness on it. If the indebtedness is greater than the Cash Surrender Value, a notice of pending termination will be mailed to the last known address of the Owner and of any assignee on record. If the excess indebtedness is not paid to the Company, this policy will terminate 61 days after the notice is mailed.

This policy will not terminate in a policy year as the sole result of a change in the rate of interest on loans until the time at which it would otherwise have terminated if there had been no change in the rate of interest on loans during that policy year.

7. Owner and Beneficiary

Owner - The Owner of this policy is as stated in the application unless changed by a subsequent owner designation or assignment. While this policy is in force before the death of the Insured, the Owner may exercise all of the rights in it without the consent of any other person.

Beneficiary - The Beneficiary of this policy is as stated in the application unless changed by a subsequent beneficiary designation on a form provided by the Company. If no other provision is made, the interest of a Beneficiary who dies before the death of the Insured will pass to the Owner.

7. Owner and Beneficiary (continued)

Change of Owner or Beneficiary - The Owner may transfer ownership or change the Beneficiary by filing a written designation at the Home Office on a form provided by the Company. The designation will take effect as of the date it is signed by the Owner, subject to any action taken by the Company prior to the time that the designation is received at the Home Office. As noted above in Section 4, changes of Owner or Beneficiary may adversely impact the No-Lapse Guarantee.

Unless otherwise stated in a designation, the following rules will apply to terms of kinship:

- (a) A legally adopted child of any person will be considered the child of the adopting parent.
- (b) The brothers and sisters of a person will include those who have only one parent in common with the person, but will not include stepbrothers or stepsisters.
- (c) Any reference to children will not include stepchildren and any reference to parents will not include stepparents.

Assignment - The Owner may assign this policy while it is in force during the life of the Insured. The rights of the Owner and of any Beneficiary will be subject to the rights of an assignee under the terms of an assignment. No assignment will bind the Company until the original, or a copy signed by the Owner, on a form provided by the Company, has been filed at the Home Office. The Company is not responsible for the effect or the validity of any assignment.

8. Death and Maturity Benefits

Basic Death Benefit - The Basic Death Benefit prior to the Maturity Date will be as follows:

- (1) If the Specified Amount includes the Policy Value, as shown on Page 3, the Basic Death Benefit will be equal to the greater of:
 - (a) the Specified Amount; or
 - (b) the Policy Value multiplied by an attained age factor based on the attained age of the Insured shown in the Table of Death Benefit Factors.
- (2) If the Specified Amount does not include the Policy Value, as shown on Page 3, the Basic Death Benefit will be equal to the greater of:
 - (a) the Specified Amount plus the Policy Value; or
 - (b) the Policy Value multiplied by an attained age factor based on the attained age of the Insured shown in the Table of Death Benefit Factors.

The Basic Death Benefit on the Maturity Date and beyond will be equal to the Net Policy Value, together with interest at the current rate set by the Company, which will not be less than the minimum interest rate, compounded annually, until the death of the insured.

Amount of Death Benefit - The Death Benefit payable at the death of the Insured while this policy is in force will be equal to the sum of:

- (a) the Basic Death Benefit on the date of death of the Insured;
- (b) any dividend payable at death of the Insured; and
- (c) any benefit provided by a supplemental agreement attached to this policy and payable because of the death of the Insured;

less the sum of:

- (a) any indebtedness on this policy at the time of the death of the Insured; and
- (b) if the death of the Insured occurs during a grace period, the payment deducted should be the lesser of the Monthly Deductions or the amount needed to meet the No-Lapse Guarantee Requirement.

8. Death and Maturity Benefits (continued)

Suicide Exclusion - If the Insured dies by suicide, while sane or insane, within two years from the Policy Date, the Death Benefit will be limited to the premiums paid less any indebtedness and any partial surrenders.

If the Insured dies by suicide, while sane or insane, within two years from the effective date of any increase in the Specified Amount, the Death Benefit with respect to that increase will be limited to the Monthly Deductions made for that increase.

Payment of Death Benefit - The Death Benefit will be paid to the Beneficiary in one sum or, if elected, under an income payment option. Settlement shall be made within 60 days after receipt of due proof of death. The Company will require surrender of the policy and proof of the interest of the claimant. The Company will pay interest from the date of death to the date of payment. The interest rate will be determined each year by the Company, but will not be less than the minimum interest rate per year compounded annually, or such higher rate as may be required by law.

Amount of Maturity Benefit - The Maturity Benefit payable if the Insured is living on the Maturity Date and if this policy is then in force will be equal to the Net Policy Value on that date.

Payment of Maturity Benefit - The Maturity Benefit will be paid to the Owner in one sum or, if elected, under an Income Payment Option.

9. Surrender of Policy

Surrender - The Owner may surrender this policy for its Net Cash Surrender Value by filing a written request with the Company. The Net Cash Surrender Value may be taken in one sum or it may be left with the Company under an income payment option. This policy will terminate and cease to be in force if it is surrendered for one sum.

If this policy is surrendered within 30 days after a policy anniversary, the Net Cash Surrender Value payable on surrender will not be less than the Net Cash Surrender Value on that policy anniversary less any policy loans and partial surrenders made since the anniversary.

The Company may defer the payment of the Net Cash Surrender Value in one sum for up to six months from the date of the surrender request. If the payment is deferred for 30 days or more, it will bear interest at the minimum interest rate per year compounded annually while it is deferred.

Net Cash Surrender Value - The Net Cash Surrender Value is the Net Policy Value decreased by any surrender charge.

Net Policy Value - The Net Policy Value is the Policy Value decreased by any indebtedness on this policy.

Cash Surrender Value - The Cash Surrender Value is the Policy Value decreased by any surrender charge.

Surrender Charge - The surrender charge for the initial Specified Amount is determined by multiplying (a) times (b), where:

- (a) is the appropriate surrender factor from the Table of Surrender Factors determined from the Policy Date; and
- (b) is 90% of the lesser of:
 - (i) the maximum surrender charge premium shown on Page 3;
 - (ii) the total premiums paid in the first policy year; and
 - (iii) \$25.00 per thousand of initial Specified Amount.

9. Surrender of Policy (continued)

The surrender charge for each increase in Specified Amount is based on the amount of the increase and on the attained age of the Insured at the time of the increase. All premiums paid during the first policy year after the effective date of an increase are applied to the increase in Specified Amount for the calculation of the surrender charge. The surrender charge is determined by multiplying (a) times (b), where:

- (a) is the appropriate surrender factor from the Table of Surrender Factors determined from the Policy Date; and
- (b) is 90% of the lesser of:
 - (i) the maximum surrender charge premium based on the attained age, sex, and class of the Insured at the effective date of the increase;
 - (ii) the total premium paid with the increase for 12 policy months after the effective date of the increase; and
 - (iii) \$25.00 per thousand of the increase amount.

Partial Surrender - The Owner may make a partial surrender of this policy for any portion of the Net Cash Surrender Value that exceeds \$250 by filing a written request with the Company. However, no partial surrender may be made for less than \$250 and no more than twelve partial surrenders may be made under this policy in any policy year. No partial surrender may be made which would reduce the Specified Amount to less than \$50,000. A processing fee of 2% of the amount surrendered, but not more than \$25 will be made for each partial surrender. The processing fee will be deducted from the available Net Cash Surrender Value and will be considered part of the partial surrender.

Any partial surrender will reduce the Policy Value by the amount of the partial surrender. If the Specified Amount includes the Policy Value, the Specified Amount will also be reduced by the amount of the partial surrender that exceeds the difference between the Death Benefit and the Specified Amount. In those instances, the Specified Amount will be reduced in the following order:

- (a) The most recent increase in Specified Amount, if any, will be decreased first.
- (b) The next most recent increases in Specified Amount, if any, will then be successively decreased.
- (c) The initial Specified Amount will then be decreased.

The Surrender Charge will not be reduced as a result of a partial surrender.

The Company may defer the payment of the amount of a partial surrender for up to six months from the date of the partial surrender request. However, a partial surrender to pay a premium due on a policy of the Company will not be deferred. If the payment is deferred for 30 days or more, it will bear interest at the minimum interest rate per year compounded annually while it is deferred.

Systematic Partial Surrender Program – The Systematic Partial Surrender Program is a program of periodic distribution of a portion of the Policy Value designated by the Company. The Company reserves the right to discontinue such a program at any time. The program includes periodic distribution to the Owner of a portion of the Policy Value through policy loans and partial surrenders while the Insured is alive and the policy is in force. Contact the Company for details of how this program works. A processing fee of 2% of the amount surrendered, but not more than \$25, will be made for each year the Systematic Partial Surrender Program is active.

10. Basis of Computation of Values

Policy Value - On the Policy Date the Policy Value is the initial premium paid less the sum of:

- (a) the percent of premium charge, and
- (b) the Monthly Deduction for the first policy month.

10. Basis of Computation of Values (continued)

On each Monthly Anniversary while this policy is in force, the Policy Value is the sum of:

- (a) the Policy Value on the preceding Monthly Anniversary;
- (b) one month's interest on (a);
- (c) any premium paid since the preceding Monthly Anniversary reduced by the percent of premium charge;
- (d) interest on (c) from the date of receipt in the Home Office to the Monthly Anniversary; and
- (e) any dividend credited to the Policy Value on the Monthly Anniversary;

less the sum of:

- (f) any partial surrender since the preceding Monthly Anniversary;
- (g) interest on (f) from the date of surrender to the Monthly Anniversary; and
- (h) the Monthly Deduction for the following policy month.

On any date other than a Monthly Anniversary, the determination of the Policy Value will be consistent with the above, except (h), which will only be deducted on a Monthly Anniversary. The value will include pro-rata crediting of interest. There will be no pro-rata debiting of mortality charges.

Monthly Deduction - The Monthly Deduction is the sum of:

- (a) the Cost of Insurance for the policy month;
- (b) the monthly per policy expense charge;
- (c) the monthly expense charge per \$1,000 of Specified Amount;
- (d) the Monthly Deduction for the policy month for any benefits provided by a supplemental agreement made a part of this policy.

Net Amount at Risk - The Net Amount at Risk is equal to the Basic Death Benefit at the beginning of the policy month, divided by the Death Benefit Discount Factor, minus the Policy Value at the beginning of the policy month before the Monthly Deduction.

If the Specified Amount does not include the Policy Value, the Policy Value will be allocated to the initial Specified Amount segment in order to determine the Net Amount at Risk.

If there have been any increases in the Specified Amount, the Policy Value will be allocated to the initial Specified Amount segment for determining the Net Amount at Risk. If the Policy Value exceeds the initial Specified Amount, the excess will be allocated to the increases in Specified Amount in the order of the increases. Any increases in the Basic Death Benefit in order to maintain the required minimum margin between the Basic Death Benefit and the Policy Value will be allocated to the most recent increase in Specified Amount.

Cost of Insurance - The Cost of Insurance is determined on a monthly basis. It is determined separately for the initial segment as well as for each additional segment created as the result of an increase in the Specified Amount. The total Cost of Insurance for a policy month is calculated as the sum of (a) multiplied by (b) for each segment where:

- (a) is the applicable Cost of Insurance Rate divided by 1,000;
- (b) is the Net Amount at Risk for that segment.

Cost of Insurance Rate - The Cost of Insurance Rate is based on policy year and on the issue age, sex and rate class of the Insured. The Cost of Insurance Rate for any increase in Specified Amount will be based on the policy duration since the effective date of the increase and on the attained age, sex, and rate class of the Insured on the effective date of the increase.

The Cost of Insurance Rate will be determined by the Company as described in the Determination of Nonguaranteed Factors provision. However, these rates will not exceed those shown in the Additional Policy Specifications. Such maximum rates are based on the 2001 Commissioners Standard Ordinary Smoker and Nonsmoker Mortality Table, Age Nearest Birthday.

10. Basis of Computation of Values (continued)

Interest Rate - The minimum interest rate that will be used in calculating the Policy Value under this policy is listed on Page 3.

The actual interest that will be credited to the Policy Value will be at rates set by the Company. Different rates will normally apply to (i) the Net Policy Value and (ii) the portion of the Policy Value represented by indebtedness.

Such rates will not be less than the minimum rate stated above.

The portion of the Net Policy Value that results from premiums paid during a specific calendar month will be credited with interest at the rate set by the Company for premium payments in that month. This credited rate will apply to the portion of the Net Policy Value until the end of the same calendar month in the following year. At the end of such period, that portion of the Net Policy Value will be credited at a new rate set by the Company that will be applicable for the next thirteen months. This procedure will recur at the end of each interest period.

If the Company credits interest at a rate in excess of the minimum interest rate, policies that have been in force for more than 10 years will be credited with interest at a rate that is greater than the rate credited to policies that have been in force less than 10 years. The difference will be equal to the monthly equivalent of 0.25% per year compounded annually. Such difference will not be applicable to that portion of the Policy Value represented by indebtedness.

Expense Charges - The actual monthly per policy expense charge, monthly expense charge per \$1,000 of Specified Amount, and percent of premium charge will be determined by the Company as described in the Determination of Nonguaranteed Factors provision. However, these actual expense charges will not exceed the maximum expense charges stated on Page 3.

The per \$1,000 of Specified Amount expense charge on the initial Specified Amount will be eliminated for policies that have been in force over ten policy years. The elimination of the per \$1,000 of Specified Amount expense charge is due to the fact that the amortization of acquisition expenses is completed by the end of the tenth policy year.

The per \$1,000 of Specified Amount expense charge for any increases in Specified Amount will be eliminated after the charge has been assessed for 10 years from the date of the increase. This charge is also due to the amortization acquisition expense for that increase being completed by the end of the tenth year.

Determination of Nonguaranteed Factors - Cost of Insurance Rates, Expense Charges, and Interest Rates will be determined by the Company based on expectations as to future mortality, investment, expense, and persistency experience. The Company will not adjust such rates or charges as a means of recovering prior losses or as a means of distributing prior profits.

Computation of Values - All policy values and benefits are equal to or greater than those required by the law of the jurisdiction in which this policy is delivered. A detailed statement of the method of computing reserves and Policy Values has been filed with the insurance supervisory official of that jurisdiction if required.

11. Policy Changes

Right to Make Change - At any time while this policy is in force after the first policy year, the Owner may request changes as set forth in this section. No change will be permitted that would result in the Death Benefit under this policy not being excludable from gross income due to not satisfying the requirements of Section 7702 of the Internal Revenue Code of 1986, as amended, or as set forth in any applicable successor provision thereto. In addition, each change is subject to the conditions stated. This policy will be amended as the result of any such change.

Increase in Specified Amount - An increase in Specified Amount must be applied for on a written application and is subject to the Company's underwriting guidelines in effect at the time of the increase. Evidence of insurability satisfactory to the Company must be submitted. Any increase in the Specified Amount must be for at least \$10,000.

11. Policy Changes (continued)

Decrease in Specified Amount - Any decrease in the Specified Amount must be at least \$10,000. The Specified Amount may not be decreased to less than \$50,000. No decrease in the Specified Amount may be made in the first policy year. No decrease may be made in the first year following the effective date of an increase in the Specified Amount.

Any decrease in the Specified Amount will become effective on the Monthly Anniversary that coincides with or next follows the receipt by the Company of the request. The decrease in the Specified Amount will be in the following order:

- (a) The most recent increase in the Specified Amount, if any, will be decreased first.
- (b) The next most recent increases in the Specified Amount, if any, will then be successively decreased.
- (c) The initial Specified Amount will then be decreased.

The surrender charge will not change as a result of a decrease in the Specified Amount. No surrender charge will be deducted from the Policy Value upon a decrease in the Specified Amount. The monthly expense charge per \$1000 of Specified Amount will not change as a result of a decrease in the Specified Amount.

Change in Specified Amount Option - If the Specified Amount does not include the Policy Value, a request may be made to change this policy so that the Specified Amount includes the Policy Value. The Specified Amount after the change will be equal to the Specified Amount before the change plus the Policy Value on the date of the change. The effective date of the change will be the Monthly Anniversary that coincides with or next follows the date of receipt by the Company of the request to make the change.

If the Specified Amount includes the Policy Value, a request may be made to change this policy so that the Specified Amount does not include the Policy Value. The Specified Amount after the change will be equal to the Specified Amount before the change less the Policy Value on the date of the change. Any application for such increase will be attached to and made a part of the policy. The effective date of the change will be the Monthly Anniversary that coincides with or next follows the date of receipt by the Company of the request to make the change.

The Specified Amount after the change must be at least \$50,000. No more than one change in the Specified Amount option may be made in any policy year.

12. General Provisions

The Contract - This policy, all applications and any supplemental agreements or amendments constitute the entire contract when attached to the policy. Only the President, a Vice President, the Secretary, the Chief Actuary, an Actuary or an Associate Actuary may, on behalf of the Company, modify this policy or waive any of its conditions. No agent is authorized to modify this contract or to make any promise as to the future payment of dividends or interest.

At any time the Company may make such changes in this policy as are necessary (i) to assure compliance at all times with the definition of life insurance prescribed by federal income tax law, or (ii) to make the policy conform with any law or regulation issued by any government agency to which it is subject. This contract may be unilaterally amended or modified to satisfy applicable law. The owner shall be permitted to refuse any such change unless noncompliance violates state or federal law.

Incontestability - All statements made in any application for this policy are representations and not warranties. No statement will void this policy or be used to contest a claim under it unless the statement is contained in a written application, a copy of which is attached to and made a part of this policy.

12. General Provisions (continued)

This policy will be incontestable after it has been in force during the life of the Insured for two years from the Policy Date. Any increase in the Specified Amount will be incontestable with respect to statements made in the evidence of insurability for that increase after the increase has been in force during the life of the Insured for two years from its effective date.

This policy will be incontestable with respect to statements made in an application for reinstatement after it has been in force during the life of the Insured for two years from the effective date of the reinstatement.

Duration of Coverage - The duration of coverage under this policy will depend on the amount, timing and frequency of premium payments; changes in the Specified Amount or benefits; the interest rates credited or investment return; the cost of insurance rates charged; percent of premium charge; expense charges; surrenders, and the amount and timing of any partial surrenders or policy loans.

Participation - This policy will participate in divisible surplus while it is in force except as stated in the Income Payment Options section. The share of such surplus, if any, to be apportioned to this policy as a dividend will be determined each year by the Company.

Any dividend will be credited to the Policy Value, unless the Owner elects to have it paid in cash.

Policy Date - The Policy Date shown on Page 3 is the date from which policy years, months and anniversaries are determined.

Monthly Anniversary - The Monthly Anniversary is the day in each calendar month that is the same day of the month as the Policy Date.

Age - The age shown on Page 3 is the insurance age of the Insured. This is the age of the Insured on the birthday nearest the Policy Date. Attained age means the insurance age of the Insured increased by the number of whole years and months after the Policy Date.

Misstatement of Age or Sex - If the age or the sex of the Insured has been misstated, the Death Benefit under this policy will be the amount which would have been provided by the most recent Cost of Insurance charge at the correct age and sex. No adjustment in the Policy Value will be made. Any date shown on Page 3 that is based on an incorrect age may be changed to be consistent with the correct age.

Policy Payments - All payments by the Company under this policy are payable at the Home Office. The Company may require the return of this policy upon surrender for the Net Cash Surrender Value or payment of the Death Benefit.

Annual Report - Each year a report will be sent to the Owner which shows the current policy values, premiums paid and deductions made since the last report, any outstanding policy loans, and any other information required by the Insurance Department of the jurisdiction in which this policy is delivered.

Projection of Benefits and Values - Upon request, the Company will provide a projection of illustrative future Death Benefits and Policy Values. The request for a projection must be made in writing by the Owner. The Company may charge a fee for this service.

Deferral of Maturity - Upon the written request of the Owner, this policy will continue in force beyond the Maturity Date. The Death Benefit will be the Net Policy Value on the Maturity Date together with interest at the current rate set by the Company, which will be not less than the minimum interest rate compounded annually, until the death of the Insured.

13. Income Payment Options

Election of Income Payment Option—An income payment option may be elected in place of a one sum payment of any amount payable upon the death of the Insured or upon surrender.

The Owner may elect an income payment option or change a previous election while this policy is in force before the death of the Insured. If no election is in effect at the time of the death of the Insured, the Beneficiary may elect an income payment option before any payment of the Death Benefit has been made and within one year of the date of death.

The amount applied under an income payment option must be at least \$5,000. No election may provide for income payments of less than \$50 each.

Option 1—Interest Income—The Company will hold the amount applied at interest. Interest will be paid monthly, quarterly, semiannually or annually.

Option 2— Income for a Fixed Period—The Company will pay the amount applied, with interest, in equal monthly payments for a fixed period. The fixed period may not be greater than 30 years.

Option 3— Income of a Specified Amount—The Company will make payments of a specified amount until the total amount applied, with interest, has been paid. The payments may be made monthly, quarterly, semiannually or annually. The final payment may be less than the specified amount. The total of the payments to be made each year must be at least \$75 for each \$1,000 applied.

Option 4— Life Income—The Company will pay equal monthly payments during the life of the option annuitant.

Option 5— Life Income with Guaranteed Period—The Company will pay equal monthly payments for a stated guaranteed period and thereafter during the life of the option annuitant. The guaranteed period may be 5 years, 10 years or 20 years.

Option 6— Life Income with Refund Period—The Company will pay equal monthly payments during the life of the option annuitant. If necessary, the payments will continue after the death of the option annuitant until the total of all payments made, including a smaller final payment, if required, equals the total amount applied.

Option 7— Joint and Survivor Life Income—The Company will pay equal monthly payments during the joint life of two option annuitants and thereafter during the life of the survivor.

Income Amount—Participation—The income under Options 1 and 2 will be based on interest at a rate of 1.5% per year compounded annually. The unpaid balance of the amount applied under Option 3 will be credited with interest at a rate of 1.5% per year compounded annually.

Options 1, 2 and 3 will participate in divisible surplus by the payment or crediting of additional interest in such amount, if any, as determined each year by the Company. Additional interest will increase the income payments under Options 1 and 2. Additional interest will lengthen the period during which payments are made under Option 3.

The monthly income under Options 4, 5, 6 and 7 will equal 103% of the monthly income under a comparable single premium nonparticipating annuity issued by the Company at the time that the income payments are to begin. In no event will the monthly income under these life income options be less than the income stated in the Income Payment Option Tables. Options 4, 5, 6 and 7 will not participate in divisible surplus.

Income Period—The income period under an option will begin on the date of death or surrender. Income payments under Options 1 and 3 will be made at the end of the payment interval. Income payments under Options 2, 4, 5, 6 and 7 will be made at the beginning of the payment interval.

Option Annuitant—Option annuitant means a natural person on whose life the income payments under Options 4, 5, 6 and 7 are based.

13. Income Payment Options (continued)

The Company may require proof of the age and of the continued life of an option annuitant. If the age or the sex of an option annuitant has been misstated, an appropriate adjustment will be made in the income payments.

Withdrawal Privilege—Unless the election states otherwise, the payee under an income payment option may:

- (a) before any income payment has been made, withdraw the amount applied under the option; or
- (b) withdraw the present value of the income payments to become due during any fixed, guaranteed or refund period; or
- (c) withdraw the balance held under Option 1 or 3 plus any accrued interest.

There will be no right to withdraw the present value of the income payments falling due after the guaranteed or refund period under Options 5 and 6. There will be no right to withdraw the present value of any income payments under Options 4 and 7.

The Company may defer the payment of the amount withdrawn for up to six months from the date of a withdrawal request.

Present Value—The present value of the income payments under Option 2 will be based on interest at a rate of 1.5% per year compounded annually. The present value of the remaining income payments during a guaranteed or refund period under a life income option will be based on interest at a rate set by the Company at the time income payments are to begin.

Death of Payee—Upon the death of the payee under an income payment option, the Company will pay the following to the payee's executors or administrators unless stated otherwise in an election consented to by the Company:

- (a) the balance of the amount held under Option 1 or 3 plus any accrued interest; or
- (b) the present value of the income payments to become due during the fixed period under Option 2; or
- (c) if the option annuitant under Option 5 or 6 has died, the present value of the income payments, if any, to become due during the guaranteed or refund period; or
- (d) if any option annuitant under Option 4, 5, 6 or 7 is living, any income payments as they become due during the option annuitant's life plus, upon the death of the option annuitant under Option 5 or 6, the present value of the income payments, if any, to become due during the guaranteed or refund period.

Assignment—Creditors—The amount applied under an income payment option and the payments under the option may not be assigned and, to the extent permitted by law, will not be available to anyone who has a claim against the payee.

14. Income Payment Option Table

The following tables show the amount of the first monthly income payment for each \$1,000 of value applied under an annuity option. "Age" as used in the tables for Options 2,3, and 4 means an adjusted age determined in the following manner from the actual age of the Annuitant on the birthday nearest the date of the first payment:

Date of First Payment
Before calendar year 2010
2010-2019
2020-2029
2030 and later

Adjusted Age
Actual Age
Actual age decreased by 1
Actual age decreased by 2
Actual age decreased by 3

Option 1—Interest Income

Option 2—Income for Fixed Period of Years

Payment Interval	Amount	Years	Monthly Income	Years	Monthly Income	Years	Monthly Income
Annually	\$15.00	1	\$83.90	11	\$8.21	21	\$4.62
		2	42.26	12	7.58	22	4.44
		3	28.39	13	7.05	23	4.28
Semiannually	7.47	4	21.45	14	6.59	24	4.13
		5	17.28	15	6.20	25	3.99
Quarterly	3.73	6	14.51	16	5.85	26	3.86
		7	12.53	17	5.55	27	3.75
Monthly	1.24	8	11.04	18	5.27	28	3.64
		9	9.89	19	5.03	29	3.54
		10	8.96	20	4.81	30	3.44

14. Income Payment Option Table (continued)

Options 4, 5 and 6—Monthly Life Income

The amount of income will be based on the age of the option annuitant on the birthday nearest the date of the first payment.

Age of Option Annui- tant	Option 4		Option 5				Option 6				Age of Option Annui- tant	Option 4		Option 5				Option 6			
	Life Income		20 Year Guaranteed Period		10 Year Guaranteed Period		5 Year Guaranteed Period		with Refund Period			Life Income		20 Year Guaranteed Period		10 Year Guaranteed Period		5 Year Guaranteed Period		with Refund Period	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female		Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
15	\$1.99	\$1.92	\$1.96	\$1.89	\$1.97	\$1.90	\$1.98	\$1.91	\$1.95	\$1.88	65	4.85	4.37	4.14	3.96	4.69	4.28	4.81	4.35	4.06	3.90
16	2.01	1.94	1.98	1.91	1.99	1.92	2.00	1.93	1.97	1.90	66	5.02	4.51	4.21	4.04	4.83	4.41	4.98	4.49	4.20	4.03
17	2.03	1.95	2.00	1.92	2.01	1.93	2.02	1.94	1.99	1.91	67	5.20	4.66	4.27	4.11	4.98	4.55	5.15	4.64	4.35	4.18
18	2.05	1.97	2.02	1.94	2.03	1.95	2.04	1.96	2.01	1.93	68	5.39	4.83	4.33	4.18	5.13	4.69	5.33	4.80	4.52	4.35
19	2.07	1.99	2.04	1.96	2.05	1.97	2.06	1.98	2.03	1.95	69	5.60	5.00	4.39	4.26	5.29	4.84	5.53	4.97	4.59	4.42
20	2.09	2.01	2.06	1.98	2.07	1.99	2.08	2.00	2.05	1.97	70	5.82	5.19	4.44	4.32	5.45	5.00	5.73	5.15	4.67	4.50
21	2.11	2.02	2.08	1.99	2.09	2.00	2.10	2.01	2.07	1.98	71	6.05	5.39	4.49	4.39	5.62	5.17	5.95	5.34	4.75	4.58
22	2.13	2.04	2.10	2.01	2.11	2.02	2.12	2.03	2.09	2.00	72	6.30	5.61	4.54	4.45	5.79	5.34	6.17	5.55	5.05	4.88
23	2.15	2.06	2.12	2.03	2.13	2.04	2.14	2.05	2.11	2.02	73	6.57	5.85	4.58	4.50	5.96	5.52	6.42	5.78	5.13	4.96
24	2.17	2.08	2.14	2.05	2.15	2.06	2.16	2.07	2.13	2.04	74	6.85	6.11	4.62	4.55	6.14	5.71	6.67	6.02	5.34	5.17
25	2.20	2.10	2.17	2.07	2.18	2.08	2.19	2.09	2.16	2.06	75	7.15	6.39	4.65	4.60	6.32	5.91	6.94	6.28	5.45	5.28
26	2.22	2.13	2.19	2.10	2.20	2.11	2.21	2.12	2.18	2.09	76	7.47	6.69	4.68	4.64	6.51	6.11	7.22	6.55	5.63	5.46
27	2.25	2.15	2.22	2.12	2.23	2.13	2.24	2.14	2.21	2.11	77	7.82	7.01	4.71	4.67	6.69	6.31	7.52	6.84	5.81	5.64
28	2.27	2.17	2.24	2.14	2.25	2.15	2.26	2.16	2.22	2.13	78	8.19	7.36	4.73	4.70	6.87	6.52	7.83	7.16	5.94	5.77
29	2.30	2.19	2.27	2.16	2.28	2.17	2.29	2.18	2.26	2.15	79	8.59	7.74	4.75	4.72	7.05	6.73	8.15	7.49	6.22	6.05
30	2.33	2.22	2.30	2.19	2.31	2.20	2.32	2.21	2.27	2.18	80	9.01	8.16	4.76	4.75	7.22	6.93	8.49	7.84	6.25	6.08
31	2.36	2.24	2.33	2.21	2.34	2.22	2.35	2.23	2.29	2.20	81	9.47	8.60	4.78	4.76	7.39	7.13	8.84	8.21	6.69	6.52
32	2.39	2.27	2.36	2.24	2.37	2.25	2.38	2.26	2.35	2.22	82	9.95	9.09	4.79	4.78	7.56	7.33	9.21	8.60	6.77	6.60
33	2.42	2.30	2.39	2.27	2.40	2.28	2.41	2.29	2.38	2.26	83	10.47	9.61	4.79	4.79	7.71	7.52	9.58	9.01	7.13	6.96
34	2.46	2.33	2.43	2.30	2.44	2.31	2.45	2.32	2.40	2.27	84	11.02	10.18	4.80	4.80	7.86	7.69	9.97	9.44	7.32	7.15
35	2.49	2.36	2.46	2.33	2.47	2.34	2.48	2.35	2.44	2.32	85	11.61	10.79	4.81	4.80	8.00	7.86	10.36	9.87	7.45	7.28
36	2.53	2.39	2.50	2.36	2.51	2.37	2.52	2.38	2.45	2.35	86	12.24	11.45	4.81	4.81	8.13	8.01	10.76	10.32	7.80	7.63
37	2.56	2.42	2.53	2.39	2.54	2.40	2.55	2.41	2.49	2.36	87	12.91	12.16	4.81	4.81	8.24	8.15	11.17	10.77	7.91	7.74
38	2.60	2.46	2.57	2.43	2.58	2.44	2.59	2.45	2.50	2.42	88	13.61	12.91	4.81	4.81	8.35	8.27	11.57	11.22	8.47	8.30
39	2.65	2.49	2.62	2.46	2.63	2.47	2.64	2.48	2.57	2.45	89	14.37	13.71	4.81	4.81	8.45	8.38	11.97	11.66	8.65	8.48
40	2.69	2.53	2.66	2.50	2.67	2.51	2.68	2.52	2.60	2.48	90	15.17	14.55	4.81	4.81	8.54	8.48	12.37	12.09	8.77	8.60
41	2.73	2.57	2.70	2.54	2.71	2.55	2.72	2.56	2.65	2.52	91	16.01	15.43	4.81	4.81	8.61	8.56	12.77	12.51	9.60	9.43
42	2.78	2.61	2.74	2.58	2.76	2.59	2.77	2.60	2.66	2.54	92	16.91	16.34	4.81	4.81	8.68	8.64	13.15	12.92	9.75	9.58
43	2.83	2.65	2.79	2.62	2.81	2.63	2.82	2.64	2.72	2.55	93	17.86	17.29	4.81	4.81	8.74	8.71	13.53	13.31	9.82	9.65
44	2.88	2.69	2.83	2.66	2.86	2.67	2.87	2.68	2.76	2.61	94	18.87	18.29	4.81	4.81	8.80	8.76	13.91	13.69	10.90	10.73
45	2.94	2.74	2.88	2.71	2.92	2.72	2.93	2.73	2.79	2.62	95	19.96	19.32	4.81	4.81	8.84	8.81	14.28	14.05	11.21	11.04
46	2.99	2.79	2.93	2.76	2.97	2.77	2.98	2.78	2.80	2.68	96	21.13	20.42	4.81	4.81	8.88	8.85	14.64	14.41	11.65	11.48
47	3.05	2.84	2.98	2.80	3.03	2.82	3.04	2.83	2.88	2.70	97	22.41	21.60	4.81	4.81	8.90	8.89	14.99	14.76	12.14	11.97
48	3.11	2.89	3.03	2.85	3.09	2.87	3.10	2.88	2.90	2.76	98	23.84	22.89	4.81	4.81	8.93	8.91	15.34	15.11	12.55	12.38
49	3.18	3.09	3.09	2.92	3.16	2.92	3.17	2.93	2.97	2.79	99	25.44	24.35	4.81	4.81	8.94	8.93	15.67	15.45	13.12	12.95
50	3.24	3.00	3.14	2.95	3.22	2.98	3.23	2.99	3.05	2.85	100	27.27	26.01	4.81	4.81	8.95	8.95	15.99	15.79	13.75	13.58
51	3.31	3.06	3.20	3.00	3.29	3.04	3.30	3.05	3.06	2.94	101	29.36	27.93	4.81	4.81	8.96	8.96	16.27	16.10	14.43	14.26
52	3.39	3.13	3.26	3.06	3.36	3.11	3.38	3.12	3.16	2.95	102	31.77	30.15	4.81	4.81	8.96	8.96	16.53	16.38	15.01	14.84
53	3.47	3.19	3.32	3.12	3.44	3.17	3.46	3.18	3.17	2.99	103	34.57	32.76	4.81	4.81	8.96	8.96	16.75	16.64	15.85	15.68
54	3.55	3.26	3.39	3.18	3.51	3.24	3.54	3.25	3.28	3.05	104	37.82	35.81	4.81	4.81	8.96	8.96	16.93	16.84	16.79	16.62
55	3.63	3.34	3.45	3.24	3.60	\$3.32	3.62	3.33	3.29	3.10	105	41.60	39.41	4.81	4.81	8.96	8.96	17.06	17.01	16.92	16.75
56	3.73	3.41	3.52	3.30	3.68	3.39	3.72	3.40	3.35	3.17	106	46.03	43.66	4.81	4.81	8.96	8.96	17.16	17.13	17.02	16.85
57	3.82	3.50	3.58	3.37	3.77	3.47	3.81	3.49	3.41	3.29	107	51.23	48.69	4.81	4.81	8.96	8.96	17.22	17.21	17.08	16.91
58	3.92	3.58	3.65	3.44	3.87	3.56	3.91	3.57	3.49	3.30	108	57.34	54.67	4.81	4.81	8.96	8.96	17.26	17.25	17.12	16.95
59	4.03	3.68	3.72	3.51	3.97	3.64	4.02	3.67	3.55	3.43	109	64.58	61.81	4.81	4.81	8.96	8.96	17.28	17.27	17.14	16.97
60	4.15	3.78	3.79	3.58	4.07	3.74	4.13	3.77	3.64	3.45	110	73.20	70.40	4.81	4.81	8.96	8.96	17.28	17.28	17.16	16.99
61	4.27	3.88	3.86	3.65	4.19	3.83	4.25	3.87	3.71	3.51											
62	4.40	3.99	3.93	3.73	4.30	3.94	4.38	3.98	3.81	3.62											
63	4.54	4.11	4.00	3.81	4.42	4.05	4.52	4.09	3.88	3.67											
64	4.69	4.23	4.07	3.88	4.55	4.16	4.66	4.22	3.96	3.80											

14. Income Payment Option Table (continued)

Option 7—Joint and Survivor Monthly Life Income

The amount of income will be based on the ages of the option annuitants on their respective birthdays nearest the date of the first payment. The table shows income for certain ages for one male and one female option annuitant. The amount is shown under the age of the male and opposite the age of the female. Amounts of income for other combinations of ages or for option annuitants of the same sex will be furnished upon request.

Age of Female Option Annuitant	Age of Male Option Annuitant												
	50	55	60	65	70	75	80	85	90	95	100	105	110
50	\$2.72	\$2.80	\$2.87	\$2.92	\$2.95	\$2.97	\$2.98	\$2.99	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
55	2.85	2.98	3.09	3.18	3.24	3.28	3.30	3.32	3.33	3.33	3.33	3.34	3.34
60	2.96	3.15	3.32	3.47	3.58	3.66	3.71	3.74	3.75	3.76	3.77	3.77	3.77
65	3.05	3.29	3.54	3.77	3.97	4.12	4.22	4.28	4.32	4.35	4.35	4.36	4.37
70	3.12	3.41	3.73	4.07	4.39	4.66	4.86	5.00	5.08	5.13	5.16	5.18	5.19
75	3.17	3.50	3.89	4.33	4.80	5.25	5.64	5.92	6.12	6.24	6.31	6.36	6.38
80	3.20	3.56	4.00	4.53	5.16	5.83	6.48	7.04	7.46	7.75	7.95	8.07	8.14
85	3.22	3.59	4.06	4.67	5.43	6.31	7.28	8.24	9.06	9.70	10.19	10.54	10.72
90	3.23	3.61	4.10	4.75	5.60	6.65	7.92	9.31	10.68	11.89	12.95	13.82	14.34
95	3.24	3.62	4.12	4.80	5.69	6.86	8.35	10.12	12.03	13.93	15.80	17.56	18.77
100	3.24	3.63	4.14	4.82	5.75	7.00	8.64	10.73	13.20	15.88	18.87	22.12	24.70
105	3.24	3.63	4.14	4.84	5.79	7.09	8.86	11.22	14.23	17.86	22.51	28.80	35.26
110	3.24	3.63	4.15	4.85	5.81	7.13	8.97	11.50	14.89	19.30	25.93	36.41	52.85

Additional Policy Specifications

Table of Guaranteed Maximum Monthly Expense Charges per \$1,000 of Specified Amount

ISSUE AGE	BASE COVERAGE CHARGE
--------------	-------------------------

35	0.310
36	0.310
37	0.311
38	0.311
39	0.312
40	0.312
41	0.313
42	0.313
43	0.314
44	0.314
45	0.315
46	0.315
47	0.316
48	0.316
49	0.317
50	0.318
51	0.319
52	0.319
53	0.320
54	0.321
55	0.322
56	0.342
57	0.343
58	0.344
59	0.345
60	0.347
61	0.348
62	0.350
63	0.351
64	0.353
65	0.355
66	0.367
67	0.370
68	0.373
69	0.376
70	0.380
71	0.385
72	0.390
73	0.397
74	0.406
75	0.417

POLICY NUMBER 0 000 000
FLEXIBLE PREMIUM LIFE INSURANCE POLICY
WILLIAM PENN
AGE 35 MALE NONTOBACCO

Additional Policy Specifications (continued)

Table of Guaranteed Maximum Monthly Expense Charges per \$1,000 of Specified Amount

ISSUE AGE	BASE COVERAGE CHARGE
76	0.434
77	0.460
78	0.510
79	0.651
80	0.791
81	0.932
82	1.072
83	1.213
84	1.353
85	1.494

POLICY NUMBER 0 000 000
FLEXIBLE PREMIUM LIFE INSURANCE POLICY
WILLIAM PENN
AGE 35 MALE
NONTOBACCO

Additional Policy Specifications (continued)

TABLE OF GUARANTEED MAXIMUM MONTHLY COST OF INSURANCE RATES PER \$1,000

ATTAINED AGE	BASE COVERAGE RATES
-----------------	------------------------

35	0.0908
36	0.0958
37	0.1000
38	0.1075
39	0.1142
40	0.1217
41	0.1317
42	0.1442
43	0.1584
44	0.1750
45	0.1942
46	0.2125
47	0.2326
48	0.2442
49	0.2576
50	0.2767
51	0.2993
52	0.3301
53	0.3635
54	0.4060
55	0.4585
56	0.5119
57	0.5695
58	0.6187
59	0.6755
60	0.7439
61	0.8274
62	0.9292
63	1.0436
64	1.1639
65	1.2908
66	1.4195
67	1.5499
68	1.6904
69	1.8359
70	2.0124
71	2.2099
72	2.4694
73	2.7433
74	3.0317
75	3.3470
76	3.6911

POLICY NUMBER 0 000 000
FLEXIBLE PREMIUM LIFE INSURANCE POLICY
WILLIAM PENN
AGE 35 MALE
NONTOBACCO

Additional Policy Specifications (continued)

TABLE OF GUARANTEED MAXIMUM MONTHLY COST OF INSURANCE RATES PER \$1,000

ATTAINED AGE	BASE COVERAGE RATES
-----------------	------------------------

77	4.0908
78	4.5582
79	5.0984
80	5.6880
81	6.3602
82	7.0612
83	7.8181
84	8.6576
85	9.5971
86	10.6404
87	11.7822
88	13.0087
89	14.3059
90	15.6632
91	16.9431
92	18.2807
93	19.6954
94	21.1940
95	22.7729
96	24.2220
97	25.7717
98	27.4307
99	29.2072
100	31.1139
101	32.6320
102	34.2545
103	35.9867
104	37.8360
105	39.7830
106	41.8611
107	44.0793
108	46.4474
109	48.9749
110	51.6712
111	54.5501
112	57.6228
113	60.9057
114	64.4101
115	68.1545
116	72.1551
117	76.4311
118	81.0051
119	83.3333
120	83.3333

POLICY NUMBER 0 000 000
FLEXIBLE PREMIUM LIFE INSURANCE POLICY
WILLIAM PENN
AGE 35 MALE
NONTOBACCO

Additional Policy Specifications (continued)

Table of Death Benefit Factors

Attained Age	Factor
0-40	2.500
41	2.430
42	2.360
43	2.290
44	2.220
45	2.150
46	2.090
47	2.030
48	1.970
49	1.910
50	1.850
51	1.780
52	1.710
53	1.640
54	1.570
55	1.500
56	1.460
57	1.420
58	1.380
59	1.340
60	1.300
61	1.280
62	1.260
63	1.240
64	1.220
65	1.200
66	1.190
67	1.180
68	1.170
69	1.160
70	1.150
71	1.130
72	1.110
73	1.090
74	1.070
75-90	1.050
91	1.040
92	1.030
93	1.020
94	1.010
95	1.010
96-121	1.001

POLICY NUMBER 0 000 000
FLEXIBLE PREMIUM LIFE INSURANCE POLICY
WILLIAM PENN
AGE 35 MALE

NONTOBACCO

Additional Policy Specifications (continued)

TABLE OF NO-LAPSE PERCENT OF PREMIUM CHARGE

POLICY YEAR	PERCENT OF PREMIUM CHARGE
----------------	------------------------------

1	7
2	7
3	7
4	7
5	7
6	7
7	7
8	7
9	7
10	7
11	7
12	7
13	7
14	7
15	7
16	7
17	7
18	7
19	7
20	7
21+	0

POLICY NUMBER 0 000 000
FLEXIBLE PREMIUM LIFE INSURANCE POLICY
WILLIAM PENN
AGE 35 MALE NONTOBACCO

Additional Policy Specifications (continued)

TABLE OF MONTHLY NO-LAPSE COST OF INSURANCE RATES Per \$1000

POLICY
YEAR

RATES

1	0.0863
2	0.0966
3	0.1083
4	0.1213
5	0.1359
6	0.1481
7	0.1615
8	0.1761
9	0.1919
10	0.2093
11	0.2281
12	0.2487
13	0.2712
14	0.2957
15	0.3224
16	0.3483
17	0.3763
18	0.4066
19	0.4393
20	0.4746
21	0.5569
22	0.6073
23	0.6624
24	0.7226
25	0.7882
26	0.8599
27	0.9382
28	1.0237
29	1.1170
30	1.2191
31	1.3181
32	1.4254
33	1.5415
34	1.6673
35	1.8036
36	1.9698
37	2.1516
38	2.3507
39	2.5688
40	2.8078
41	3.0698
42	3.3572
43	3.6727
44	4.0192

POLICY NUMBER 0 000 000
FLEXIBLE PREMIUM LIFE INSURANCE POLICY
WILLIAM PENN
AGE 35 MALE NONTOBACCO

Additional Policy Specifications (continued)

TABLE OF MONTHLY NO-LAPSE COST OF INSURANCE RATES Per \$1000

POLICY YEAR	RATES
45	4.4000
46	4.8190
47	5.2802
48	5.7884
49	6.3490
50	6.9682
51	7.6530
52	8.4113
53	9.2523
54	10.1868
55	11.2272
56	11.9978
57	12.8285
58	13.7250
59	14.6937
60	15.7418
61	16.4962
62	17.2929
63	18.1352
64	19.0262
65	19.9696
66	20.9694
67	22.0300
68	23.1560
69	24.3529
70	25.6266
71	26.9836
72	28.4312
73	29.9776
74	31.6318
75	33.4043
76	35.3066
77	37.3518
78	39.5551
79	41.9335
80	44.5066
81	47.2973
82	50.3319
83	53.6411
84	57.2611
85	61.2346
86	61.2346

POLICY NUMBER 0 000 000
 FLEXIBLE PREMIUM LIFE INSURANCE POLICY
 WILLIAM PENN
 AGE 35 MALE NONTObACCO

Additional Policy Specifications (continued)

NO-LAPSE TIER GROWTH PERCENTAGE

5.00%

TABLE OF MONTHLY NO-LAPSE INTEREST RATES
(ATTAINED AGES 90 AND BELOW)

POLICY YEAR 1
AMOUNT OF NO-LAPSE ACCOUNT BALANCE

INTEREST
RATE

TIER 1: FIRST \$5,000
TIER 2: NEXT \$10,000
TIER 3: NEXT \$50,000
TIER 4: REMAINDER OF NO-LAPSE ACCOUNT BALANCE

1.06086%
0.68215%
0.48676%
0.34344%

POLICY YEARS AFTER YEAR 1
AMOUNT OF NO-LAPSE ACCOUNT BALANCE

INTEREST
RATE

TIER 1: FIRST [\$5,000 increased by No-Lapse Tier Growth Percentage each year]
TIER 2: NEXT [\$10,000 increased by No-Lapse Tier Growth Percentage each year]
TIER 3: NEXT [\$50,000 increased by No-Lapse Tier Growth Percentage each year]
TIER 4: REMAINDER OF NO-LAPSE ACCOUNT BALANCE

1.06086%
0.68215%
0.48676%
0.34344%

TABLE OF MONTHLY NO-LAPSE INTEREST RATES
(ATTAINED AGES 91 AND ABOVE)

POLICY YEAR 1
AMOUNT OF NO-LAPSE ACCOUNT BALANCE

INTEREST
RATE

TIER 1: FIRST \$5,000
TIER 2: NEXT \$10,000
TIER 3: NEXT \$50,000
TIER 4: REMAINDER OF NO-LAPSE ACCOUNT BALANCE

1.14381%
0.76510%
0.56971%
0.42639%

POLICY YEARS AFTER YEAR 1
AMOUNT OF NO-LAPSE ACCOUNT BALANCE

INTEREST
RATE

TIER 1: FIRST [\$5,000 increased by No-Lapse Tier Growth Percentage each year]
TIER 2: NEXT [\$10,000 increased by No-Lapse Tier Growth Percentage each year]
TIER 3: NEXT [\$50,000 increased by No-Lapse Tier Growth Percentage each year]
TIER 4: REMAINDER OF NO-LAPSE ACCOUNT BALANCE

1.14381%
0.76510%
0.56971%
0.42639%

To obtain any of the benefits under this policy, write to the Company at its Home Office or to its nearest agent.

Please notify the Company promptly of any change in address.

Annual Election - Penn Mutual is a mutual life insurance company. It has no stockholders. The Owner of this policy is a member of Penn Mutual while this policy is in force during the life of the Insured and before surrender of this policy. Members have the right to vote in person or by proxy at the annual election of Trustees held at the Home Office, on the first Tuesday of March. If more information is desired, it may be obtained from the Secretary.

Policyholder Service Office of Company
Address

The Penn Mutual Life Insurance Company
Mail Code C2L,
Philadelphia, PA 19172
Telephone # 1-800-523-0650

Name of Agent _____
Address _____
Telephone # _____

If we at the Penn Mutual Life Insurance Company fail to provide you with reasonable and adequate service, you should feel free to contact:

Arkansas Insurance Department
Consumer Services Division
400 University Tower Building
Little Rock, AR 72204
1-800-852-5494

Flexible Premium Adjustable Life Insurance Policy



- Death Benefit payable at death prior to Maturity Date
- Maturity Benefit Payable at Maturity Date
- Flexible premiums payable until Maturity Date
- Participating
- Supplemental benefits, if any, listed on Page 3

[The Penn Mutual Life Insurance Company, Philadelphia, Pennsylvania 19172
FL-08(S)(AR)]

The Penn Mutual Life Insurance Company

Founded 1847

Insured

[William Penn]

[\$100,000]

Specified Amount

Policy Number

[00000000]

[April 1, 2008]

Policy Date


The Penn Mutual Life Insurance Company agrees, subject to the provisions of this policy, to pay the Death Benefit to the Beneficiary upon receipt of due proof of the death of the Insured while this policy is in force and before the Maturity Date.

The Company also agrees to provide all of the other benefits stated in this policy.

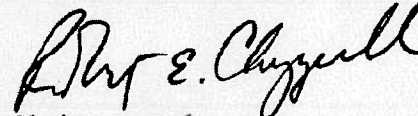
This contract is made in consideration of the payment of premiums as provided in this policy.

The provisions on this and the following pages are part of this policy.

Executed on the Date of Issue by The Penn Mutual Life Insurance Company.



Managing Corporate Counsel
and Secretary



Chairman and
Chief Executive Officer

FREE LOOK PERIOD - This policy may be cancelled by returning it within 10 days after it is received by the owner. It must be returned to Penn Mutual or to the agent through whom it was purchased. This policy will then be considered void as of its inception. Any premium paid on it will be refunded.

READ YOUR POLICY CAREFULLY. This policy is a legal contract between the Owner and the Company.



Flexible Premium Adjustable Life Insurance Policy

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- Participating
- Supplemental benefits, if any, listed on Page 3

[The Penn Mutual Life Insurance Company, Philadelphia, Pennsylvania 19172]
FL-08(U)(AR)

Guide to Policy Sections

1	Policy Specifications
2	Endorsements
3	Qualification as Life Insurance
4	Premiums
5	Lapse and Reinstatement
6	Policy Loans
7	Owner and Beneficiary

8	Death and Maturity Benefits
9	Surrender of Policy
10	Basis of Computation of Values
11	Policy Changes
12	General Provisions
13	Income Payment Options
14	Income Payment Option Tables

Additional Policy Specifications, any supplemental agreements and a copy of any applications follow Section 14

Alphabetical Index

	Section
Accumulated Premiums	4
Accumulated No-Lapse Premiums	4
Age	1,12
Annual Report	12
Assignment	7,13
Basic Death Benefit	8
Beneficiary	1,7
Cash Surrender Value	9
Cash Value Accumulation Test	3
Continuation of Insurance	4
Contract	12
Cost of Insurance	10
Cost of Insurance Rates	10
Date of Issue	1
Death Benefit	8
Deferral of Maturity	12
Expense Charge	10
Free Look Period	Cover
Grace Period	4
Guideline Premium Test	3
Income Payment Options	13
Income Payment Option Tables	14
Incontestability	12
Indebtedness	6
Interest Rate	10
Lapse	5
Loan Interest	6
Loan Value	6

	Section
Maturity Benefit	8
Maturity Date	1
Misstatement of Age	12
Monthly Anniversary	12
Monthly Deduction	10
Net Cash Surrender Value	9
Net Policy Value	9
No-Lapse Premium	1,4
No-Lapse Date	1
Owner	1,7
Partial Surrender	9
Participation	12
Percent of Premium Load	1
Policy Date	1,12
Policy Loans	6
Policy Payments	12
Policy Value	10
Projections of Benefits & Values	12
Premiums	1,4
Rate Class	1
Reinstatement	5
Right to Make a Change	11
Schedule of Benefits	1
Schedule of Premiums	1
Specified Amount	1,11
Suicide Exclusion	8
Surrender	9
Surrender Charge	9
Systematic Partial Surrender Program	9

1. Policy Specifications

INSURED	[WILLIAM PENN]	[\$100,000]	SPECIFIED AMOUNT (INCLUDES POLICY VALUE)
POLICY NUMBER	[0 000 000]	[APRIL 1, 2008]	POLICY DATE
AGE	[35]	[STANDARD NONTOBACCO]	RATE CLASS

LIFE INSURANCE QUALIFICATION TEST IS GUIDELINE PREMIUM TEST

MATURITY DATE IS [APRIL 1, 2094]
DATE OF ISSUE IS THE POLICY DATE

OWNER AND BENEFICIARY AS PROVIDED IN APPLICATION

Schedule of Benefits

Description	Amount
[FLEXIBLE PREMIUM ADJUSTABLE LIFE INSURANCE POLICY OVERLOAN PROTECTION BENEFIT AGREEMENT ---	\$100,000 SPECIFIED AMOUNT]

THE OVERLOAN PROTECTION BENEFIT AGREEMENT SPECIFIED LOAN PERCENTAGE IS [96%]

Schedule of Planned Premiums

THE INITIAL PREMIUM OF [\$1,141.89] WAS PAID ON THE POLICY DATE FOR 12 MONTHS. SUBSEQUENT
PLANNED PREMIUMS ARE PAYABLE ANNUALLY AS FOLLOWS:

BEGINNING AS OF	PLANNED PREMIUM
[APRIL 1, 2009]	[\$1,141.89]

THE NO LAPSE DATE IS [APRIL 1, 2094]

NOTE: INSURANCE WILL TERMINATE IF THE PREMIUMS PAID AND THE INTEREST CREDITED ARE
INSUFFICIENT TO COVER THE MONTHLY DEDUCTIONS, EXCEPT AS PROVIDED IN SECTION 4.

SECTION 7702A OF THE INTERNAL REVENUE CODE OF 1986 ESTABLISHES A CLASS OF LIFE INSURANCE
CONTRACTS DESIGNATED AS "MODIFIED ENDOWMENT CONTRACTS." THE RULES RELATING TO WHETHER A
POLICY WILL BE TREATED AS A MODIFIED ENDOWMENT CONTRACT ARE EXTREMELY COMPLEX. PLEASE
CONSULT WITH A QUALIFIED TAX ADVISOR REGARDING YOUR OWN PERSONAL SITUATION.

1. Policy Specifications

Schedule of Surrender Charges

Maximum Surrender Charge Premium

\$ 704.00

Initial Maximum Surrender Charge

\$ 633.60

Table of Surrender Charge Factors

Policy Year	Surrender Factor	Policy Year	Surrender Factor
1	100%	9	41%
2	90	10	34
3	83	11	27
4	76	12	20
5	69	13	13
6	62	14	6
7	55	15 and later	0
8	48		

Schedule of Policy Loads and Expense Charges

Maximum percent of premium load

(applied to each premium applied to the policy)

15%

Maximum per policy monthly expense charge

\$9.00

Maximum Monthly Expense charge per \$1,000 of Specified Amount
(for the first 120 months following the policy date)

\$0.308

Maximum Monthly Expense charge per \$1,000 of Specified Amount
(for the first 120 months following an increase in Specified Amount)

As shown on Page 21

One time charge for the Overloan Protection Benefit Agreement

3.5%

Schedule of Interest Rates

Guaranteed Interest Rate

3% Effective Annual Rate

Death Benefit Discount Factor

1.0024663

2. Endorsements

To be made only by the Company

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left blank.**

3. Qualification as Life Insurance

The life insurance qualification test for this policy will be the Guideline Premium Test unless otherwise elected in the application. The Life Insurance Qualification Test for this Policy is shown on Page 3. The test may not be changed at anytime after the policy is issued.

The Company will limit premium payments as necessary in order to qualify the policy as a life insurance contract under Section 7702. This contract may be unilaterally amended or modified to satisfy applicable law. The owner shall be permitted to refuse any such change unless noncompliance violates state or federal law. No payment will be returned or refused if it is necessary to continue coverage.

Guideline Premium Test - Under this test, the amount of premium that can be paid in a policy year may not exceed the Maximum Premium Limit. The Maximum Premium Limit for a policy year is the largest amount of premium which can be paid in that policy year such that the sum of the premiums paid under the policy will not at any time exceed the guideline premium limitation referred to in Section 7702 of the Internal Revenue Code of 1986, as amended, or as set forth in any applicable successor thereto. The Maximum Premium Limit for the following policy year will be shown on the Annual Report sent to the Owner.

In addition, a minimum margin must exist between the death benefit and the Policy Value. The margin is defined in Section 7702 and is based on the attained age of the Insured. The Basic Death Benefit of the policy will be adjusted accordingly with factors shown in the Table of Death Benefit Factors to satisfy the requirements of this portion of the test. See the Death Benefit Section for further details.

Cash Value Accumulation Test - Under this test, the Policy Value cannot at any time exceed the net single premium required to fund the future benefits under the policy. The net single premium is defined in Section 7702 of the Internal Revenue Code. The Basic Death Benefit of the policy will be adjusted accordingly with factors shown in the Table of Death Benefit Factors to satisfy the requirements of this test. See the Death Benefit Section for further details.

The Company reserves the right to restrict Policy transactions as necessary in order to qualify the policy as a life insurance contract under Section 7702. If it is subsequently determined that policy does not satisfy Section 7702, the Company may take whatever steps are appropriate and necessary to attempt to cause such a policy to comply with Section 7702.

4. Premiums

Payment of Premiums - Premiums are payable while this policy is in force until the Maturity Date. The first premium is due on the Policy Date. Premiums after the Policy Date may be paid in any amount and at any interval subject to the following conditions:

- (1) No premium payment may be less than \$25.
- (2) The Company requires submission of evidence of insurability on subsequent premiums that cause an immediate increase in the difference between the Death Benefit and the Policy Value. The increase in the difference between the Death Benefit and the Policy Value will be incontestable with respect to statements made in the evidence of insurability for that increase after the increase has been in force during the life of the Insured for two years from its effective date. Any application for such increase will be attached to and made a part of the policy.
- (3) If the Guideline Premium Test is in effect, total premiums paid in any policy year may not exceed the Maximum Premium Limit for that policy year. If excessive premium is paid the Company will refund only the portion that is over the Maximum Premium Limit. No payment will be returned or refused if it is necessary to continue coverage.

4. Premiums (continued)

Each premium after the first is payable at the Company's Home Office. A receipt signed by the President or the Secretary will be given on request.

No-Lapse Guarantee – This policy will not lapse as a result of a Net Cash Surrender Value insufficient to cover the Monthly Deduction for the following month if, on a monthly anniversary prior to the Maturity Date shown on Page 3, the No-Lapse Guarantee Requirement is satisfied.

No-Lapse Guarantee Requirement – The No-Lapse Guarantee Requirement is satisfied if, on a monthly anniversary prior to the Maturity Date shown on Page 3, the No-Lapse Guarantee Account less any outstanding indebtedness exceeds zero.

The No-Lapse Guarantee Requirement is not satisfied if the indebtedness is greater than the Cash Surrender Value.

Note that the No-Lapse Guarantee Account, the No-Lapse Percent of Premium Charge, the No-Lapse COI Charges, and the No-Lapse Interest Rates are not used to determine values and benefits under the policy. These values are only used to determine whether or not the No-Lapse Guarantee Requirement is satisfied.

The Company reserves the right to determine that the No-Lapse Guarantee Requirement has not been satisfied if at any time after a change of Owner or Beneficiary, the Company concludes that the new Owner or new Beneficiary would not have had an insurable interest in the Insured at the time the policy was issued. In addition, the Company reserves the right to determine that the No-Lapse Guarantee Requirement has not been satisfied if at any time, a new Owner or new Beneficiary has obtained the policy ownership and/or policy beneficiary designation with the intent to transfer ownership or any other benefits under the policy to a third party that does not possess an insurable interest in the Insured.

No-Lapse Guarantee Account – On the Policy Date, the No-Lapse Guarantee Account is the initial premium paid less the sum of:

- (a) the applicable No-Lapse Percent of Premium Charge shown in the Additional Policy Specifications; and
- (b) the applicable No-Lapse COI Charge for Base Coverage; and
- (c) the applicable No-Lapse COI Charge for each Additional Insured Rider.

On each Monthly Anniversary while this agreement is in force, the No-Lapse Guarantee Account is the sum of:

- (a) the No-Lapse Guarantee Account on the preceding Monthly Anniversary;
- (b) one month's interest on (a) using the applicable No-Lapse Interest Rate shown in the Additional Policy Specifications;
- (c) any premium paid since the preceding Monthly Anniversary reduced by the applicable No-Lapse Percent of Premium Charge; and
- (d) interest on (c) using the applicable No-Lapse Interest Rates from the date of receipt in the Home Office to the Monthly Anniversary;

less the sum of:

- (a) any partial surrender since the preceding Monthly Anniversary;
- (b) interest on (a) using the applicable No-Lapse Interest Rates from the date of surrender to the Monthly Anniversary;
- (c) the applicable No-Lapse COI Charge for Base Coverage; and
- (d) the applicable No-Lapse COI Charge for each Additional Insured Rider.

No-Lapse Interest Rate – The No-Lapse Interest Rate applied to the No-Lapse Guarantee Account is tiered based on the amount of the No-Lapse Guarantee Account as shown in the Additional Policy Specifications. The tiers are set at issue for the first policy year and then increase each policy year by the No-Lapse Tier Growth Percentage shown in the Additional Policy Specifications.

4. Premiums (continued)

No-Lapse COI Charge – The No-Lapse COI Charge is determined on a monthly basis. For Base Coverage, it is calculated as (a) multiplied by (b) where:

- (a) is the applicable No-Lapse COI Rate shown in the Additional Policy Specifications; and
- (b) is the No-Lapse Net Amount at Risk.

For each Additional Insured Rider, it is calculated as (a) multiplied by (b) where:

- (a) is the applicable No-Lapse COI Rate for the Additional Insured Coverage shown in the Additional Policy Specifications; and
- (b) is the Specified Amount of the Additional Insured Coverage, as shown on Page 3.

No-Lapse Net Amount at Risk – The No-Lapse Net Amount at Risk is equal to (a) minus (b) where:

- (a) is the Specified Amount at the beginning of the policy month, divided by the Death Benefit Discount Factor shown on Page 3; and
- (b) is the No-Lapse Guarantee Account at the beginning of the policy month before the deduction of No-Lapse COI Charges.

Changes in the Specified Amount, the addition, deletion or change of any supplemental agreements to this policy, or a change in the rate class of the Insured before the No-Lapse Date may impact the amount of the No-Lapse Guarantee Account. As a result, additional premiums may be required on the date of change in order to meet the No-Lapse Guarantee Requirement.

Continuation of Insurance - If premium payments cease or if insufficient premiums are paid, the insurance provided under this policy, including benefits provided by any supplemental agreements attached to this policy, will continue, subject to the Grace Period provision, in accordance with the provisions of this policy and any such supplemental agreements for as long as the Net Cash Surrender Value is sufficient to keep it in force, or if the No-Lapse Guarantee Account less any outstanding indebtedness exceeds zero as described in the No-Lapse Guarantee Requirement provision above.

Grace Period - If, on a Monthly Anniversary prior to the Maturity Date shown on Page 3:

- (a) the Net Cash Surrender Value is insufficient to cover the Monthly Deduction for the following policy month; and
- (b) the No-Lapse Guarantee Requirement is not met,

then a grace period of 61 days will be allowed for the payment of premium sufficient to keep this policy in force. The payment required is the lesser of the Monthly Deduction or the amount necessary to meet the No-Lapse Guarantee Requirement.

Notice of the amount of premium sufficient to keep this policy in force will be sent to the last known address of the Owner. The notice will be sent at least 30 days before the end of the 61-day grace period. This policy will remain in force during the grace period.

5. Lapse and Reinstatement

Lapse - If a premium sufficient to keep this policy in force is not paid during the grace period, this policy will lapse at the end of the grace period. At lapse this policy will terminate without value and cease to be in force. Any deduction for the Cost of Insurance after termination will not be considered a reinstatement of the policy nor a waiver by the Company of the termination.

5. Lapse and Reinstatement (continued)

Reinstatement - This policy may be reinstated within five years after lapse. A reinstatement is subject to:

- (a) the submission of evidence of insurability satisfactory to the Company;
- (b) the payment or reinstatement of any indebtedness which existed at the end of the grace period; and
- (c) the payment of a premium sufficient to cover the lesser of: (i) the amount necessary to meet the No-Lapse Guarantee Requirement at the date of reinstatement and for three policy months following the reinstatement date, or (ii) an amount to make the Cash Surrender Value positive plus the monthly deductions for the three policy months following the reinstatement date.

The effective date of a reinstatement will be the date of approval by the Company of the application for reinstatement. Such application will be attached to and made a part of the reinstated policy. Following reinstatement, the Policy Date continues to be the date shown on Page 3.

The policy value on the date of reinstatement is the sum of:

- (a) the policy value at the beginning of the grace period of lapse, including any indebtedness;
- (b) interest on (a) at the minimum interest rate per year until the date of reinstatement;
- (c) any dividend credited to the policy;
- (d) interest on (c) at the minimum interest rate until the date of reinstatement; and
- (e) the payment made upon reinstatement reduced by the percent of premium charge

less the sum of:

- (a) the Monthly Deductions for the grace period;
- (b) interest on (a) at the minimum interest rate per year until the date of reinstatement; and
- (c) the Monthly Deduction for the policy month following the date of reinstatement.

The surrender charge set forth in the Surrender of Policy Section will continue to apply to any surrender of this policy following reinstatement. The surrender charge will be calculated based on the policy date and will include the period while the policy was lapsed.

Following reinstatement, the provisions of the No-Lapse Guarantee set forth in Section 4 will again be applicable until the Maturity Date shown on Page 3.

6. Policy Loans

The Owner may obtain a loan while this policy is in force during the life of the Insured. The loan, plus any existing indebtedness, may not be greater than the Loan Value of this policy on the date of the loan.

The Company may defer making a loan for up to six months from the date of the loan request. However, a loan to pay a premium due on a policy issued by the Company will not be deferred.

Loan Value - The Loan Value is that amount which, with interest at the then current loan interest rate on this policy, will accumulate at the next policy anniversary to (a) less (b), where:

- (a) is the Cash Surrender Value on the date as of which the Loan Value is being determined; and
- (b) is the Monthly Deductions for the period from the date as of which the Loan Value is being determined until the next policy anniversary.

6. Policy Loans (continued)

Loan Interest - Loans will bear interest at an adjustable loan interest rate. The loan interest rate will be determined by the Company as of the first day of each calendar year. Such rate will be effective on the date as of which it is determined and will apply to any new or outstanding loan under this policy during the next calendar year.

The loan interest rate will be determined by comparing the loan interest rate in effect for the preceding calendar year with a maximum interest rate defined by law and described below. Any change in the loan interest rate will be subject to the following:

- (1) The loan interest rate will be lowered to be equal to or less than the legal maximum interest rate if such legal maximum interest rate is 1/2% or more lower than the loan interest rate in effect during the preceding calendar year.
- (2) The loan interest rate may be increased, by at least 1/2% but not higher than the legal maximum interest rate, if the legal maximum interest rate is 1/2% or more higher than the loan interest rate in effect during the preceding calendar year.

The legal maximum interest rate used in determining the loan interest rate is the greater of:

- (a) Moody's Corporate Bond Yield Average—Monthly Average Corporates as published by Moody's Investors Service, Inc. for the calendar month ending two months prior to the date as of which the loan interest rate is determined; or
- (b) the minimum interest rate used to calculate policy values under this policy plus 1 percentage point per year.

If Moody's Corporate Bond Yield Average - Monthly Average Corporates is no longer published, the rate used in its place will be as established by law or by regulation of the insurance supervisory official of the jurisdiction in which this policy is delivered.

The Company will:

- (a) notify the Owner of the initial loan interest rate at the time that a loan is made; and
- (b) if there is a loan outstanding on this policy, give the Owner advance notice of any increase in the loan interest rate.

Loan interest is due and payable at the end of each policy year. If the interest is not paid when due, it will be added to the loan. It will then bear interest at the rate of interest on loans.

Indebtedness - Indebtedness means outstanding loans on this policy plus any loan interest due or accrued. Indebtedness may be repaid in full or in part at any time while this policy is in force during the life of the Insured. This policy is the only security for indebtedness on it. If the indebtedness is greater than the Cash Surrender Value, a notice of pending termination will be mailed to the last known address of the Owner and of any assignee on record. If the excess indebtedness is not paid to the Company, this policy will terminate 61 days after the notice is mailed.

This policy will not terminate in a policy year as the sole result of a change in the rate of interest on loans until the time at which it would otherwise have terminated if there had been no change in the rate of interest on loans during that policy year.

7. Owner and Beneficiary

Owner - The Owner of this policy is as stated in the application unless changed by a subsequent owner designation or assignment. While this policy is in force before the death of the Insured, the Owner may exercise all of the rights in it without the consent of any other person.

Beneficiary - The Beneficiary of this policy is as stated in the application unless changed by a subsequent beneficiary designation on a form provided by the Company. If no other provision is made, the interest of a Beneficiary who dies before the death of the Insured will pass to the Owner.

7. Owner and Beneficiary (continued)

Change of Owner or Beneficiary - The Owner may transfer ownership or change the Beneficiary by filing a written designation at the Home Office on a form provided by the Company. The designation will take effect as of the date it is signed by the Owner, subject to any action taken by the Company prior to the time that the designation is received at the Home Office. As noted above in Section 4, changes of Owner or Beneficiary may adversely impact the No-Lapse Guarantee.

Unless otherwise stated in a designation, the following rules will apply to terms of kinship:

- (a) A legally adopted child of any person will be considered the child of the adopting parent.
- (b) The brothers and sisters of a person will include those who have only one parent in common with the person, but will not include stepbrothers or stepsisters.
- (c) Any reference to children will not include stepchildren and any reference to parents will not include stepparents.

Assignment - The Owner may assign this policy while it is in force during the life of the Insured. The rights of the Owner and of any Beneficiary will be subject to the rights of an assignee under the terms of an assignment. No assignment will bind the Company until the original, or a copy signed by the Owner, on a form provided by the Company, has been filed at the Home Office. The Company is not responsible for the effect or the validity of any assignment.

8. Death and Maturity Benefits

Basic Death Benefit - The Basic Death Benefit prior to the Maturity Date will be as follows:

- (1) If the Specified Amount includes the Policy Value, as shown on Page 3, the Basic Death Benefit will be equal to the greater of:
 - (a) the Specified Amount; or
 - (b) the Policy Value multiplied by an attained age factor based on the attained age of the Insured shown in the Table of Death Benefit Factors.
- (2) If the Specified Amount does not include the Policy Value, as shown on Page 3, the Basic Death Benefit will be equal to the greater of:
 - (a) the Specified Amount plus the Policy Value; or
 - (b) the Policy Value multiplied by an attained age factor based on the attained age of the Insured shown in the Table of Death Benefit Factors.

The Basic Death Benefit on the Maturity Date and beyond will be equal to the Net Policy Value, together with interest at the current rate set by the Company, which will not be less than the minimum interest rate, compounded annually, until the death of the insured.

Amount of Death Benefit - The Death Benefit payable at the death of the Insured while this policy is in force will be equal to the sum of:

- (a) the Basic Death Benefit on the date of death of the Insured;
- (b) any dividend payable at death of the Insured; and
- (c) any benefit provided by a supplemental agreement attached to this policy and payable because of the death of the Insured;

less the sum of:

- (a) any indebtedness on this policy at the time of the death of the Insured; and
- (b) if the death of the Insured occurs during a grace period, the payment deducted should be the lesser of the Monthly Deductions or the amount needed to meet the No-Lapse Guarantee Requirement.

8. Death and Maturity Benefits (continued)

Suicide Exclusion - If the Insured dies by suicide, while sane or insane, within two years from the Policy Date, the Death Benefit will be limited to the premiums paid less any indebtedness and any partial surrenders.

If the Insured dies by suicide, while sane or insane, within two years from the effective date of any increase in the Specified Amount, the Death Benefit with respect to that increase will be limited to the Monthly Deductions made for that increase.

Payment of Death Benefit - The Death Benefit will be paid to the Beneficiary in one sum or, if elected, under an income payment option. Settlement shall be made within 60 days after receipt of due proof of death. The Company will require surrender of the policy and proof of the interest of the claimant. The Company will pay interest from the date of death to the date of payment. The interest rate will be determined each year by the Company, but will not be less than the minimum interest rate per year compounded annually, or such higher rate as may be required by law.

Amount of Maturity Benefit - The Maturity Benefit payable if the Insured is living on the Maturity Date and if this policy is then in force will be equal to the Net Policy Value on that date.

Payment of Maturity Benefit - The Maturity Benefit will be paid to the Owner in one sum or, if elected, under an Income Payment Option.

9. Surrender of Policy

Surrender - The Owner may surrender this policy for its Net Cash Surrender Value by filing a written request with the Company. The Net Cash Surrender Value may be taken in one sum or it may be left with the Company under an income payment option. This policy will terminate and cease to be in force if it is surrendered for one sum.

If this policy is surrendered within 30 days after a policy anniversary, the Net Cash Surrender Value payable on surrender will not be less than the Net Cash Surrender Value on that policy anniversary less any policy loans and partial surrenders made since the anniversary.

The Company may defer the payment of the Net Cash Surrender Value in one sum for up to six months from the date of the surrender request. If the payment is deferred for 30 days or more, it will bear interest at the minimum interest rate per year compounded annually while it is deferred.

Net Cash Surrender Value - The Net Cash Surrender Value is the Net Policy Value decreased by any surrender charge.

Net Policy Value - The Net Policy Value is the Policy Value decreased by any indebtedness on this policy.

Cash Surrender Value - The Cash Surrender Value is the Policy Value decreased by any surrender charge.

Surrender Charge - The surrender charge for the initial Specified Amount is determined by multiplying (a) times (b), where:

(a) is the appropriate surrender factor from the Table of Surrender Factors determined from the Policy Date; and
(b) is 90% of the lesser of:

- (i) the maximum surrender charge premium shown on Page 3;
- (ii) the total premiums paid in the first policy year; and
- (iii) \$25.00 per thousand of initial Specified Amount.

9. Surrender of Policy (continued)

The surrender charge for each increase in Specified Amount is based on the amount of the increase and on the attained age of the Insured at the time of the increase. All premiums paid during the first policy year after the effective date of an increase are applied to the increase in Specified Amount for the calculation of the surrender charge. The surrender charge is determined by multiplying (a) times (b), where:

- (a) is the appropriate surrender factor from the Table of Surrender Factors determined from the Policy Date; and
- (b) is 90% of the lesser of:
 - (i) the maximum surrender charge premium based on the attained age and rate class of the Insured at the effective date of the increase;
 - (ii) the total premium paid with the increase for 12 policy months after the effective date of the increase; and
 - (iii) \$25.00 per thousand of the increase amount.

Partial Surrender - The Owner may make a partial surrender of this policy for any portion of the Net Cash Surrender Value that exceeds \$250 by filing a written request with the Company. However, no partial surrender may be made for less than \$250 and no more than twelve partial surrenders may be made under this policy in any policy year. No partial surrender may be made which would reduce the Specified Amount to less than \$50,000. A processing fee of 2% of the amount surrendered, but not more than \$25 will be made for each partial surrender. The processing fee will be deducted from the available Net Cash Surrender Value and will be considered part of the partial surrender.

Any partial surrender will reduce the Policy Value by the amount of the partial surrender. If the Specified Amount includes the Policy Value, the Specified Amount will also be reduced by the amount of the partial surrender that exceeds the difference between the Death Benefit and the Specified Amount. In those instances, the Specified Amount will be reduced in the following order:

- (a) The most recent increase in Specified Amount, if any, will be decreased first.
- (b) The next most recent increases in Specified Amount, if any, will then be successively decreased.
- (c) The initial Specified Amount will then be decreased.

The Surrender Charge will not be reduced as a result of a partial surrender.

The Company may defer the payment of the amount of a partial surrender for up to six months from the date of the partial surrender request. However, a partial surrender to pay a premium due on a policy of the Company will not be deferred. If the payment is deferred for 30 days or more, it will bear interest at the minimum interest rate per year compounded annually while it is deferred.

Systematic Partial Surrender Program – The Systematic Partial Surrender Program is a program of periodic distribution of a portion of the Policy Value designated by the Company. The Company reserves the right to discontinue such a program at any time. The program includes periodic distribution to the Owner of a portion of the Policy Value through policy loans and partial surrenders while the Insured is alive and the policy is in force. Contact the Company for details of how this program works. A processing fee of 2% of the amount surrendered, but not more than \$25, will be made for each year the Systematic Partial Surrender Program is active.

10. Basis of Computation of Values

Policy Value - On the Policy Date the Policy Value is the initial premium paid less the sum of:

- (a) the percent of premium charge, and
- (b) the Monthly Deduction for the first policy month.

10. Basis of Computation of Values (continued)

On each Monthly Anniversary while this policy is in force, the Policy Value is the sum of:

- (a) the Policy Value on the preceding Monthly Anniversary;
- (b) one month's interest on (a);
- (c) any premium paid since the preceding Monthly Anniversary reduced by the percent of premium charge;
- (d) interest on (c) from the date of receipt in the Home Office to the Monthly Anniversary; and
- (e) any dividend credited to the Policy Value on the Monthly Anniversary;

less the sum of:

- (f) any partial surrender since the preceding Monthly Anniversary;
- (g) interest on (f) from the date of surrender to the Monthly Anniversary; and
- (h) the Monthly Deduction for the following policy month.

On any date other than a Monthly Anniversary, the determination of the Policy Value will be consistent with the above, except (h), which will only be deducted on a Monthly Anniversary. The value will include pro-rata crediting of interest. There will be no pro-rata debiting of mortality charges.

Monthly Deduction - The Monthly Deduction is the sum of:

- (a) the Cost of Insurance for the policy month;
- (b) the monthly per policy expense charge;
- (c) the monthly expense charge per \$1,000 of Specified Amount;
- (d) the Monthly Deduction for the policy month for any benefits provided by a supplemental agreement made a part of this policy.

Net Amount at Risk - The Net Amount at Risk is equal to the Basic Death Benefit at the beginning of the policy month, divided by the Death Benefit Discount Factor, minus the Policy Value at the beginning of the policy month before the Monthly Deduction.

If the Specified Amount does not include the Policy Value, the Policy Value will be allocated to the initial Specified Amount segment in order to determine the Net Amount at Risk.

If there have been any increases in the Specified Amount, the Policy Value will be allocated to the initial Specified Amount segment for determining the Net Amount at Risk. If the Policy Value exceeds the initial Specified Amount, the excess will be allocated to the increases in Specified Amount in the order of the increases. Any increases in the Basic Death Benefit in order to maintain the required minimum margin between the Basic Death Benefit and the Policy Value will be allocated to the most recent increase in Specified Amount.

Cost of Insurance - The Cost of Insurance is determined on a monthly basis. It is determined separately for the initial segment as well as for each additional segment created as the result of an increase in the Specified Amount. The total Cost of Insurance for a policy month is calculated as the sum of (a) multiplied by (b) for each segment where:

- (a) is the applicable Cost of Insurance Rate divided by 1,000;
- (b) is the Net Amount at Risk for that segment.

Cost of Insurance Rate - The Cost of Insurance Rate is based on policy year and on the issue age and rate class of the Insured. The Cost of Insurance Rate for any increase in Specified Amount will be based on the policy duration since the effective date of the increase and on the attained age and rate class of the Insured on the effective date of the increase.

The Cost of Insurance Rate will be determined by the Company as described in the Determination of Nonguaranteed Factors provision. However, these rates will not exceed those shown in the Additional Policy Specifications. Such maximum rates are based on the 2001 CSO (80) Smoker and NonSmoker Ultimate Mortality Table, Age Nearest Birthday.

10. Basis of Computation of Values (continued)

Page 14

Interest Rate - The minimum interest rate that will be used in calculating the Policy Value under this policy is listed on Page 3.

The actual interest that will be credited to the Policy Value will be at rates set by the Company. Different rates will normally apply to (i) the Net Policy Value and (ii) the portion of the Policy Value represented by indebtedness.

Such rates will not be less than the minimum rate stated above.

The portion of the Net Policy Value that results from premiums paid during a specific calendar month will be credited with interest at the rate set by the Company for premium payments in that month. This credited rate will apply to the portion of the Net Policy Value until the end of the same calendar month in the following year. At the end of such period, that portion of the Net Policy Value will be credited at a new rate set by the Company that will be applicable for the next thirteen months. This procedure will recur at the end of each interest period.

If the Company credits interest at a rate in excess of the minimum interest rate, policies that have been in force for more than 10 years will be credited with interest at a rate that is greater than the rate credited to policies that have been in force less than 10 years. The difference will be equal to the monthly equivalent of 0.25% per year compounded annually. Such difference will not be applicable to that portion of the Policy Value represented by indebtedness.

Expense Charges - The actual monthly per policy expense charge, monthly expense charge per \$1,000 of Specified Amount, and percent of premium charge will be determined by the Company as described in the Determination of Nonguaranteed Factors provision. However, these actual expense charges will not exceed the maximum expense charges stated on Page 3.

The per \$1,000 of Specified Amount expense charge on the initial Specified Amount will be eliminated for policies that have been in force over ten policy years. The elimination of the per \$1,000 of Specified Amount expense charge is due to the fact that the amortization of acquisition expenses is completed by the end of the tenth policy year.

The per \$1,000 of Specified Amount expense charge for any increases in Specified Amount will be eliminated after the charge has been assessed for 10 years from the date of the increase. This charge is also due to the amortization acquisition expense for that increase being completed by the end of the tenth year.

Determination of Nonguaranteed Factors - Cost of Insurance Rates, Expense Charges, and Interest Rates will be determined by the Company based on expectations as to future mortality, investment, expense, and persistency experience. The Company will not adjust such rates or charges as a means of recovering prior losses or as a means of distributing prior profits.

Computation of Values - All policy values and benefits are equal to or greater than those required by the law of the jurisdiction in which this policy is delivered. A detailed statement of the method of computing reserves and Policy Values has been filed with the insurance supervisory official of that jurisdiction if required.

11. Policy Changes

Right to Make Change - At any time while this policy is in force after the first policy year, the Owner may request changes as set forth in this section. No change will be permitted that would result in the Death Benefit under this policy not being excludable from gross income due to not satisfying the requirements of Section 7702 of the Internal Revenue Code of 1986, as amended, or as set forth in any applicable successor provision thereto. In addition, each change is subject to the conditions stated. This policy will be amended as the result of any such change.

Increase in Specified Amount - An increase in Specified Amount must be applied for on a written application and is subject to the Company's underwriting guidelines in effect at the time of the increase. Evidence of insurability satisfactory to the Company must be submitted. Any increase in the Specified Amount must be for at least \$10,000.

11. Policy Changes (continued)

Decrease in Specified Amount - Any decrease in the Specified Amount must be at least \$10,000. The Specified Amount may not be decreased to less than \$50,000. No decrease in the Specified Amount may be made in the first policy year. No decrease may be made in the first year following the effective date of an increase in the Specified Amount.

Any decrease in the Specified Amount will become effective on the Monthly Anniversary that coincides with or next follows the receipt by the Company of the request. The decrease in the Specified Amount will be in the following order:

- (a) The most recent increase in the Specified Amount, if any, will be decreased first.
- (b) The next most recent increases in the Specified Amount, if any, will then be successively decreased.
- (c) The initial Specified Amount will then be decreased.

The surrender charge will not change as a result of a decrease in the Specified Amount. No surrender charge will be deducted from the Policy Value upon a decrease in the Specified Amount. The monthly expense charge per \$1000 of Specified Amount will not change as a result of a decrease in the Specified Amount.

Change in Specified Amount Option - If the Specified Amount does not include the Policy Value, a request may be made to change this policy so that the Specified Amount includes the Policy Value. The Specified Amount after the change will be equal to the Specified Amount before the change plus the Policy Value on the date of the change. The effective date of the change will be the Monthly Anniversary that coincides with or next follows the date of receipt by the Company of the request to make the change.

If the Specified Amount includes the Policy Value, a request may be made to change this policy so that the Specified Amount does not include the Policy Value. The Specified Amount after the change will be equal to the Specified Amount before the change less the Policy Value on the date of the change. Any application for such increase will be attached to and made a part of the policy. The effective date of the change will be the Monthly Anniversary that coincides with or next follows the date of receipt by the Company of the request to make the change.

The Specified Amount after the change must be at least \$50,000. No more than one change in the Specified Amount option may be made in any policy year.

12. General Provisions

The Contract - This policy, all applications and any supplemental agreements or amendments constitute the entire contract when attached to the policy. Only the President, a Vice President, the Secretary, the Chief Actuary, an Actuary or an Associate Actuary may, on behalf of the Company, modify this policy or waive any of its conditions. No agent is authorized to modify this contract or to make any promise as to the future payment of dividends or interest.

At any time the Company may make such changes in this policy as are necessary (i) to assure compliance at all times with the definition of life insurance prescribed by federal income tax law, or (ii) to make the policy conform with any law or regulation issued by any government agency to which it is subject. This contract may be unilaterally amended or modified to satisfy applicable law. The owner shall be permitted to refuse any such change unless noncompliance violates state or federal law.

Incontestability - All statements made in any application for this policy are representations and not warranties. No statement will void this policy or be used to contest a claim under it unless the statement is contained in a written application, a copy of which is attached to and made a part of this policy.

12. General Provisions (continued)

This policy will be incontestable after it has been in force during the life of the Insured for two years from the Policy Date. Any increase in the Specified Amount will be incontestable with respect to statements made in the evidence of insurability for that increase after the increase has been in force during the life of the Insured for two years from its effective date.

This policy will be incontestable with respect to statements made in an application for reinstatement after it has been in force during the life of the Insured for two years from the effective date of the reinstatement.

Duration of Coverage - The duration of coverage under this policy will depend on the amount, timing and frequency of premium payments; changes in the Specified Amount or benefits; the interest rates credited or investment return; the cost of insurance rates charged; percent of premium charge; expense charges; surrenders, and the amount and timing of any partial surrenders or policy loans.

Participation - This policy will participate in divisible surplus while it is in force except as stated in the Income Payment Options section. The share of such surplus, if any, to be apportioned to this policy as a dividend will be determined each year by the Company.

Any dividend will be credited to the Policy Value, unless the Owner elects to have it paid in cash.

Policy Date - The Policy Date shown on Page 3 is the date from which policy years, months and anniversaries are determined.

Monthly Anniversary - The Monthly Anniversary is the day in each calendar month that is the same day of the month as the Policy Date.

Age - The age shown on Page 3 is the insurance age of the Insured. This is the age of the Insured on the birthday nearest the Policy Date. Attained age means the insurance age of the Insured increased by the number of whole years and months after the Policy Date.

Misstatement of Age - If the age of the Insured has been misstated, the Death Benefit under this policy will be the amount which would have been provided by the most recent Cost of Insurance charge at the correct age. No adjustment in the Policy Value will be made. Any date shown on Page 3 that is based on an incorrect age may be changed to be consistent with the correct age.

Policy Payments - All payments by the Company under this policy are payable at the Home Office. The Company may require the return of this policy upon surrender for the Net Cash Surrender Value or payment of the Death Benefit.

Annual Report - Each year a report will be sent to the Owner which shows the current policy values, premiums paid and deductions made since the last report, any outstanding policy loans, and any other information required by the Insurance Department of the jurisdiction in which this policy is delivered.

Projection of Benefits and Values - Upon request, the Company will provide a projection of illustrative future Death Benefits and Policy Values. The request for a projection must be made in writing by the Owner. The Company may charge a fee for this service.

Deferral of Maturity - Upon the written request of the Owner, this policy will continue in force beyond the Maturity Date. The Death Benefit will be the Net Policy Value on the Maturity Date together with interest at the current rate set by the Company, which will be not less than the minimum interest rate compounded annually, until the death of the Insured.

13. Income Payment Options

Election of Income Payment Option—An income payment option may be elected in place of a one sum payment of any amount payable upon the death of the Insured or upon surrender.

The Owner may elect an income payment option or change a previous election while this policy is in force before the death of the Insured. If no election is in effect at the time of the death of the Insured, the Beneficiary may elect an income payment option before any payment of the Death Benefit has been made and within one year of the date of death.

The amount applied under an income payment option must be at least \$5,000. No election may provide for income payments of less than \$50 each.

Option 1—Interest Income—The Company will hold the amount applied at interest. Interest will be paid monthly, quarterly, semiannually or annually.

Option 2—Income for a Fixed Period—The Company will pay the amount applied, with interest, in equal monthly payments for a fixed period. The fixed period may not be greater than 30 years.

Option 3—Income of a Specified Amount—The Company will make payments of a specified amount until the total amount applied, with interest, has been paid. The payments may be made monthly, quarterly, semiannually or annually. The final payment may be less than the specified amount. The total of the payments to be made each year must be at least \$75 for each \$1,000 applied.

Option 4—Life Income—The Company will pay equal monthly payments during the life of the option annuitant.

Option 5—Life Income with Guaranteed Period—The Company will pay equal monthly payments for a stated guaranteed period and thereafter during the life of the option annuitant. The guaranteed period may be 5 years, 10 years or 20 years.

Option 6—Life Income with Refund Period—The Company will pay equal monthly payments during the life of the option annuitant. If necessary, the payments will continue after the death of the option annuitant until the total of all payments made, including a smaller final payment, if required, equals the total amount applied.

Option 7—Joint and Survivor Life Income—The Company will pay equal monthly payments during the joint life of two option annuitants and thereafter during the life of the survivor.

Income Amount—Participation—The income under Options 1 and 2 will be based on interest at a rate of 1.5% per year compounded annually. The unpaid balance of the amount applied under Option 3 will be credited with interest at a rate of 1.5% per year compounded annually.

Options 1, 2 and 3 will participate in divisible surplus by the payment or crediting of additional interest in such amount, if any, as determined each year by the Company. Additional interest will increase the income payments under Options 1 and 2. Additional interest will lengthen the period during which payments are made under Option 3.

The monthly income under Options 4, 5, 6 and 7 will equal 103% of the monthly income under a comparable single premium nonparticipating annuity issued by the Company at the time that the income payments are to begin. In no event will the monthly income under these life income options be less than the income stated in the Income Payment Option Tables. Options 4, 5, 6 and 7 will not participate in divisible surplus.

Income Period—The income period under an option will begin on the date of death or surrender. Income payments under Options 1 and 3 will be made at the end of the payment interval. Income payments under Options 2, 4, 5, 6 and 7 will be made at the beginning of the payment interval.

Option Annuitant—Option annuitant means a natural person on whose life the income payments under Options 4, 5, 6 and 7 are based.

13. Income Payment Options (continued)

The Company may require proof of the age and of the continued life of an option annuitant. If the age of an option annuitant has been misstated, an appropriate adjustment will be made in the income payments.

Withdrawal Privilege—Unless the election states otherwise, the payee under an income payment option may:

- (a) before any income payment has been made, withdraw the amount applied under the option; or
- (b) withdraw the present value of the income payments to become due during any fixed, guaranteed or refund period; or
- (c) withdraw the balance held under Option 1 or 3 plus any accrued interest.

There will be no right to withdraw the present value of the income payments falling due after the guaranteed or refund period under Options 5 and 6. There will be no right to withdraw the present value of any income payments under Options 4 and 7.

The Company may defer the payment of the amount withdrawn for up to six months from the date of a withdrawal request.

Present Value—The present value of the income payments under Option 2 will be based on interest at a rate of 1.5% per year compounded annually. The present value of the remaining income payments during a guaranteed or refund period under a life income option will be based on interest at a rate set by the Company at the time income payments are to begin.

Death of Payee—Upon the death of the payee under an income payment option, the Company will pay the following to the payee's executors or administrators unless stated otherwise in an election consented to by the Company:

- (a) the balance of the amount held under Option 1 or 3 plus any accrued interest; or
- (b) the present value of the income payments to become due during the fixed period under Option 2; or
- (c) if the option annuitant under Option 5 or 6 has died, the present value of the income payments, if any, to become due during the guaranteed or refund period; or
- (d) if any option annuitant under Option 4, 5, 6 or 7 is living, any income payments as they become due during the option annuitant's life plus, upon the death of the option annuitant under Option 5 or 6, the present value of the income payments, if any, to become due during the guaranteed or refund period.

Assignment—Creditors—The amount applied under an income payment option and the payments under the option may not be assigned and, to the extent permitted by law, will not be available to anyone who has a claim against the payee.

14. Income Payment Option Table

The following tables show the amount of the first monthly income payment for each \$1,000 of value applied under an annuity option. "Age" as used in the tables for Options 2, 3, and 4 means an adjusted age determined in the following manner from the actual age of the Annuitant on the birthday nearest the date of the first payment:

Date of First Payment		Adjusted Age	
Before calendar year 2010		Actual Age	
2010-2019		Actual age decreased by 1	
2020-2029		Actual age decreased by 2	
2030 and later		Actual age decreased by 3	

Option 1—Interest Income				Option 2—Income for Fixed Period of Years			
Payment Interval	Amount	Years	Monthly Income	Years	Monthly Income	Years	Monthly Income
Annually	\$15.00	1	\$83.90	11	\$8.21	21	\$4.62
		2	42.26	12	7.58	22	4.44
		3	28.39	13	7.05	23	4.28
Semiannually	7.47	4	21.45	14	6.59	24	4.13
		5	17.28	15	6.20	25	3.99
Quarterly	3.73	6	14.51	16	5.85	26	3.86
		7	12.53	17	5.55	27	3.75
Monthly	1.24	8	11.04	18	5.27	28	3.64
		9	9.89	19	5.03	29	3.54
		10	8.96	20	4.81	30	3.44

14. Income Payment Option Table (continued)

Options 4, 5 and 6—Monthly Life Income

The amount of income will be based on the age of the option annuitant on the birthday nearest the date of the first payment

Option 4						Option 5						Option 6					
Age of Option Annui- tant	Life Income	20 Year Guaranteed Period	10 Year Guaranteed Period	5 Year Guaranteed Period	with Refund Period	Age of Option Annui- tant	Life Income	20 Year Guaranteed Period	10 Year Guaranteed Period	5 Year Guaranteed Period	with Refund Period	Age of Option Annui- tant	Life Income	20 Year Guaranteed Period	10 Year Guaranteed Period	5 Year Guaranteed Period	with Refund Period
15	\$1.96	\$1.93	\$1.94	\$1.95	\$1.92	65	4.61	4.05	4.49	4.58	3.98	66	4.76	4.12	4.62	4.73	4.05
16	1.98	1.95	1.96	1.97	1.94	67	4.93	4.19	4.76	4.89	4.27	68	5.11	4.26	4.91	5.06	4.34
17	1.99	1.96	1.97	1.98	1.95	69	5.30	4.33	5.07	5.24	4.43	70	5.50	4.39	5.23	5.44	4.49
18	2.01	1.98	1.99	2.00	1.97	71	5.72	4.44	5.39	5.64	4.67	72	5.95	4.50	5.57	5.86	4.75
19	2.03	2.00	2.01	2.02	1.99	73	6.20	4.54	5.75	6.09	4.91	74	6.47	4.59	5.93	6.34	5.03
20	2.05	2.02	2.03	2.04	2.01	75	6.76	4.63	6.12	6.60	5.38	76	7.08	4.66	6.31	6.88	5.46
21	2.07	2.04	2.05	2.06	2.03	77	7.41	4.69	6.50	7.18	5.62	78	7.77	4.72	6.70	7.49	5.71
22	2.09	2.06	2.07	2.08	2.05	79	8.16	4.74	6.89	7.82	6.07	80	8.58	4.75	7.08	8.17	6.25
23	2.11	2.08	2.09	2.10	2.07	81	9.03	4.77	7.27	8.53	6.43	82	9.51	4.78	7.45	8.91	6.72
24	2.13	2.10	2.11	2.12	2.09	83	10.04	4.79	7.62	9.30	6.80	84	10.60	4.80	7.78	9.70	7.28
25	2.15	2.12	2.13	2.14	2.11	85	11.20	4.80	7.93	10.12	7.37	86	11.84	4.81	8.07	10.54	7.83
26	2.17	2.14	2.15	2.16	2.13	87	12.53	4.81	8.20	10.97	7.86	88	13.26	4.81	8.31	11.40	8.18
27	2.20	2.17	2.18	2.19	2.16	89	14.04	4.81	8.42	11.82	8.50	90	14.86	4.81	8.51	12.23	8.73
28	2.22	2.19	2.20	2.21	2.18	91	15.72	4.81	8.59	12.64	9.31	92	16.62	4.81	8.66	13.04	9.86
29	2.25	2.22	2.23	2.24	2.21	93	17.58	4.81	8.73	13.42	9.96	94	18.58	4.81	8.78	13.80	10.55
30	2.28	2.25	2.26	2.27	2.22	95	19.64	4.81	8.83	14.17	10.85	96	20.78	4.81	8.87	14.53	11.28
31	2.30	2.27	2.28	2.29	2.26	97	22.01	4.81	8.90	14.88	11.75	98	23.37	4.81	8.92	15.23	12.15
32	2.33	2.30	2.31	2.32	2.29	99	24.89	4.81	8.94	15.57	12.70	100	26.64	4.81	8.95	15.89	13.31
33	2.36	2.33	2.34	2.35	2.31	101	28.64	4.81	8.96	16.19	13.98	102	30.96	4.81	8.96	16.46	14.53
34	2.39	2.36	2.37	2.38	2.32	103	33.66	4.81	8.96	16.70	15.34	104	36.81	4.81	8.96	16.89	16.25
35	2.43	2.40	2.41	2.42	2.35	105	40.50	4.81	8.96	17.04	16.40	106	44.83	4.81	8.96	17.14	16.50
36	2.46	2.43	2.44	2.45	2.42	107	49.94	4.81	8.96	17.21	16.57	108	55.99	4.81	8.96	17.26	16.62
37	2.49	2.46	2.47	2.48	2.44	109	63.19	4.81	8.96	17.28	16.64	110	71.79	4.81	8.96	17.28	16.66
38	2.53	2.50	2.51	2.52	2.46												
39	2.57	2.54	2.55	2.56	2.47												
40	2.61	2.58	2.59	2.60	2.53												
41	2.65	2.62	2.63	2.64	2.54												
42	2.70	2.67	2.68	2.69	2.59												
43	2.74	2.71	2.72	2.73	2.62												
44	2.79	2.75	2.77	2.78	2.66												
45	2.84	2.80	2.82	2.83	2.69												
46	2.89	2.84	2.87	2.88	2.73												
47	2.94	2.89	2.92	2.93	2.83												
48	3.00	2.94	2.98	2.99	2.87												
49	3.06	3.00	3.04	3.05	2.92												
50	3.12	3.05	3.10	3.11	2.97												
51	3.19	3.11	3.17	3.18	3.02												
52	3.26	3.16	3.24	3.25	3.02												
53	3.33	3.22	3.31	3.32	3.13												
54	3.41	3.28	3.38	3.40	3.19												
55	3.49	3.35	3.46	3.48	3.25												
56	3.57	3.41	3.54	3.56	3.31												
57	3.66	3.48	3.62	3.65	3.35												
58	3.75	3.55	3.71	3.75	3.38												
59	3.86	3.62	3.81	3.84	3.52												
60	3.96	3.69	3.91	3.95	3.60												
61	4.08	3.76	4.01	4.06	3.66												
62	4.20	3.83	4.12	4.18	3.76												
63	4.32	3.91	4.24	4.30	3.83												
64	4.46	3.98	4.36	4.44	3.86												

14. Income Payment Option Table (continued)

Option 7—Joint and Survivor Monthly Life Income

The amount of income will be based on the ages of the option annuitants on their respective birthdays nearest the date of the first payment. The table shows income for certain ages for one male and one female option annuitant. The amount is shown under the age of the male and opposite the age of the female. Amounts of income for other combinations of ages or for option annuitants of the same sex will be furnished upon request.

Age of Second Option Annuitant	Age of First Option Annuitant												
	50	55	60	65	70	75	80	85	90	95	100	105	110
50	\$2.72	\$2.83	\$2.92	\$2.99	\$3.04	\$3.07	\$3.10	\$3.11	\$3.11	\$3.00	\$3.00	\$3.00	\$3.00
55	2.83	2.99	3.13	3.25	3.33	3.39	3.43	3.46	3.47	3.33	3.33	3.34	3.34
60	2.92	3.13	3.33	3.52	3.67	3.78	3.86	3.90	3.93	3.76	3.77	3.77	3.77
65	2.99	3.25	3.52	3.79	4.04	4.24	4.39	4.48	4.54	4.34	4.35	4.36	4.37
70	3.04	3.33	3.67	4.04	4.41	4.75	5.02	5.22	5.34	5.13	5.16	5.18	5.19
75	3.07	3.39	3.78	4.24	4.75	5.27	5.75	6.13	6.39	6.24	6.31	6.36	6.38
80	3.10	3.43	3.86	4.39	5.02	5.75	6.50	7.17	7.70	7.75	7.95	8.07	8.14
85	3.11	3.46	3.90	4.48	5.22	6.13	7.17	8.25	9.19	9.70	10.19	10.54	10.72
90	3.11	3.47	3.93	4.54	5.34	6.39	7.70	9.19	10.68	11.89	12.95	13.82	14.34
95	3.24	3.62	4.12	4.80	5.69	6.86	8.35	10.12	12.03	13.93	15.80	17.56	18.77
100	3.24	3.63	4.14	4.82	5.75	7.00	8.64	10.73	13.20	15.88	18.87	22.12	24.70
105	3.24	3.63	4.14	4.84	5.79	7.09	8.86	11.22	14.23	17.86	22.51	28.80	35.26
110	3.24	3.63	4.15	4.85	5.81	7.13	8.97	11.50	14.89	19.30	25.63	36.41	52.85

Additional Policy Specifications

Table of Guaranteed Maximum Monthly Expense Charges per \$1,000 of Specified Amount

ISSUE AGE	BASE COVERAGE CHARGE
--------------	-------------------------

35	0.308
36	0.308
37	0.309
38	0.309
39	0.310
40	0.310
41	0.310
42	0.311
43	0.311
44	0.311
45	0.312
46	0.312
47	0.313
48	0.313
49	0.314
50	0.315
51	0.316
52	0.316
53	0.317
54	0.318
55	0.319
56	0.339
57	0.340
58	0.341
59	0.342
60	0.344
61	0.345
62	0.347
63	0.348
64	0.350
65	0.351
66	0.361
67	0.364
68	0.367
69	0.370
70	0.373
71	0.378
72	0.383
73	0.389
74	0.398
75	0.408

POLICY NUMBER 0 000 000
FLEXIBLE PREMIUM LIFE INSURANCE POLICY
WILLIAM PENN
AGE 35
NONTOBACCO

Additional Policy Specifications (continued)

Table of Guaranteed Maximum Monthly Expense Charges per \$1,000 of Specified Amount

ISSUE AGE	BASE COVERAGE CHARGE
--------------	-------------------------

76	0.424
77	0.449
78	0.496
79	0.628
80	0.760
81	0.893
82	1.025
83	1.157
84	1.289
85	1.421

POLICY NUMBER 0 000 000
FLEXIBLE PREMIUM LIFE INSURANCE POLICY
WILLIAM PENN
AGE 35 NONTOBACCO

Additional Policy Specifications (continued)

TABLE OF GUARANTEED MAXIMUM MONTHLY COST OF INSURANCE RATES PER \$1,000

ATTAINED AGE	BASE COVERAGE RATES
-----------------	------------------------

35	0.0875
36	0.0925
37	0.0975
38	0.1042
39	0.1100
40	0.1175
41	0.1267
42	0.1375
43	0.1509
44	0.1659
45	0.1842
46	0.2009
47	0.2209
48	0.2334
49	0.2484
50	0.2684
51	0.2918
52	0.3218
53	0.3551
54	0.3960
55	0.4452
56	0.4961
57	0.5503
58	0.5995
59	0.6538
60	0.7180
61	0.7956
62	0.8883
63	0.9918
64	1.1004
65	1.2156
66	1.3334
67	1.4546
68	1.5858
69	1.7221
70	1.8852
71	2.0684
72	2.3045
73	2.5532
74	2.8162
75	3.1038
76	3.4175

POLICY NUMBER 0 000 000
FLEXIBLE PREMIUM LIFE INSURANCE POLICY
WILLIAM PENN
AGE 35

NONTOBACCO

Additional Policy Specifications (continued)

TABLE OF GUARANTEED MAXIMUM MONTHLY COST OF INSURANCE RATES PER \$1,000

ATTAINED AGE	BASE COVERAGE RATES
-----------------	------------------------

77	3.7775
78	4.1950
79	4.6717
80	5.1901
81	5.7951
82	6.4311
83	7.1051
84	7.8478
85	8.6746
86	9.5529
87	10.5646
88	11.6363
89	12.7582
90	13.8800
91	14.7786
92	15.8137
93	17.0207
94	18.3999
95	19.9936
96	21.4983
97	23.1138
98	23.9886
99	25.2309
100	26.8293
101	28.3499
102	30.0774
103	32.0379
104	34.2563
105	36.7251
106	39.3435
107	42.1036
108	44.9566
109	47.9782
110	51.1250
111	54.2398
112	57.3423
113	60.2927
114	64.2100
115	67.9891
116	71.9579
117	76.3104
118	80.4912
119	83.3333
120	83.3333

POLICY NUMBER 0 000 000
FLEXIBLE PREMIUM LIFE INSURANCE POLICY
WILLIAM PENN
AGE 35

NONTObACCO

Additional Policy Specifications (continued)

Table of Death Benefit Factors

Attained Age	Factor
0-40	2.500
41	2.430
42	2.360
43	2.290
44	2.220
45	2.150
46	2.090
47	2.030
48	1.970
49	1.910
50	1.850
51	1.780
52	1.710
53	1.640
54	1.570
55	1.500
56	1.460
57	1.420
58	1.380
59	1.340
60	1.300
61	1.280
62	1.260
63	1.240
64	1.220
65	1.200
66	1.190
67	1.180
68	1.170
69	1.160
70	1.150
71	1.130
72	1.110
73	1.090
74	1.070
75-90	1.050
91	1.040
92	1.030
93	1.020
94	1.010
95	1.010
96-121	1.001

POLICY NUMBER 0 000 000
FLEXIBLE PREMIUM LIFE INSURANCE POLICY
WILLIAM PENN
AGE 35
NONTObACCO

Additional Policy Specifications (continued)

TABLE OF NO-LAPSE PERCENT OF PREMIUM CHARGE

POLICY YEAR	PERCENT OF PREMIUM CHARGE
----------------	------------------------------

1	7
2	7
3	7
4	7
5	7
6	7
7	7
8	7
9	7
10	7
11	7
12	7
13	7
14	7
15	7
16	7
17	7
18	7
19	7
20	7
21+	0

POLICY NUMBER 0 000 000
FLEXIBLE PREMIUM LIFE INSURANCE POLICY
WILLIAM PENN
AGE 35
NONTOBACCO

Additional Policy Specifications (continued)

TABLE OF MONTHLY NO-LAPSE COST OF INSURANCE RATES Per \$1000

POLICY
YEAR RATES

1	0.0777
2	0.0871
3	0.0975
4	0.1092
5	0.1224
6	0.1334
7	0.1454
8	0.1586
9	0.1729
10	0.1885
11	0.2055
12	0.2240
13	0.2443
14	0.2663
15	0.2904
16	0.3137
17	0.3389
18	0.3661
19	0.3956
20	0.4274
21	0.5013
22	0.5468
23	0.5963
24	0.6504
25	0.7095
26	0.7739
27	0.8443
28	0.9211
29	1.0050
30	1.0966
31	1.1856
32	1.2819
33	1.3862
34	1.4991
35	1.6214
36	1.7704
37	1.9334
38	2.1119
39	2.3072
40	2.5211
41	2.7555
42	3.0125
43	3.2944
44	3.6037

POLICY NUMBER 0 000 000
FLEXIBLE PREMIUM LIFE INSURANCE POLICY
WILLIAM PENN
AGE 35 NONTOBACCO

Additional Policy Specifications (continued)

TABLE OF MONTHLY NO-LAPSE COST OF INSURANCE RATES Per \$1000

POLICY YEAR	RATES
45	3.9434
46	4.3167
47	4.7272
48	5.1791
49	5.6770
50	6.2261
51	6.8324
52	7.5027
53	8.2447
54	9.0675
55	9.9813
56	10.6568
57	11.3835
58	12.1663
59	13.0102
60	13.9212
61	14.5755
62	15.2653
63	15.9931
64	16.7615
65	17.5733
66	18.4317
67	19.3401
68	20.3022
69	21.3221
70	22.4043
71	23.5537
72	24.7760
73	26.0772
74	27.4640
75	28.9442
76	30.5260
77	32.2192
78	34.0343
79	35.9835
80	38.0806
81	40.3412
82	42.7833
83	45.4275
84	48.2978
85	51.4218
86	51.4218

POLICY NUMBER 0 000 000
FLEXIBLE PREMIUM LIFE INSURANCE POLICY
WILLIAM PENN
AGE 35

NONTOBACCO

Additional Policy Specifications (continued)

NO-LAPSE TIER GROWTH PERCENTAGE

5.00%

TABLE OF MONTHLY NO-LAPSE INTEREST RATES
(ATTAINED AGES 90 AND BELOW)

POLICY YEAR 1
AMOUNT OF NO-LAPSE ACCOUNT BALANCE

INTEREST
RATE

TIER 1: FIRST \$5,000
TIER 2: NEXT \$10,000
TIER 3: NEXT \$50,000
TIER 4: REMAINDER OF NO-LAPSE ACCOUNT BALANCE

1.06086%
0.68215%
0.48676%
0.34344%

POLICY YEARS AFTER YEAR 1
AMOUNT OF NO-LAPSE ACCOUNT BALANCE

INTEREST
RATE

TIER 1: FIRST [\$5,000 increased by No-Lapse Tier Growth Percentage each year]
TIER 2: NEXT [\$10,000 increased by No-Lapse Tier Growth Percentage each year]
TIER 3: NEXT [\$50,000 increased by No-Lapse Tier Growth Percentage each year]
TIER 4: REMAINDER OF NO-LAPSE ACCOUNT BALANCE

1.06086%
0.68215%
0.48676%
0.34344%

TABLE OF MONTHLY NO-LAPSE INTEREST RATES
(ATTAINED AGES 91 AND ABOVE)

POLICY YEAR 1
AMOUNT OF NO-LAPSE ACCOUNT BALANCE

INTEREST
RATE

TIER 1: FIRST \$5,000
TIER 2: NEXT \$10,000
TIER 3: NEXT \$50,000
TIER 4: REMAINDER OF NO-LAPSE ACCOUNT BALANCE

1.14381%
0.76510%
0.56971%
0.42639%

POLICY YEARS AFTER YEAR 1
AMOUNT OF NO-LAPSE ACCOUNT BALANCE

INTEREST
RATE

TIER 1: FIRST [\$5,000 increased by No-Lapse Tier Growth Percentage each year]
TIER 2: NEXT [\$10,000 increased by No-Lapse Tier Growth Percentage each year]
TIER 3: NEXT [\$50,000 increased by No-Lapse Tier Growth Percentage each year]
TIER 4: REMAINDER OF NO-LAPSE ACCOUNT BALANCE

1.14381%
0.76510%
0.56971%
0.42639%

To obtain any of the benefits under this policy, write to the Company at its Home Office or to its nearest agent.

Please notify the Company promptly of any change in address.

Annual Election - Penn Mutual is a mutual life insurance company. It has no stockholders. The Owner of this policy is a member of Penn Mutual while this policy is in force during the life of the Insured and before surrender of this policy. Members have the right to vote in person or by proxy at the annual election of Trustees held at the Home Office, on the first Tuesday of March. If more information is desired, it may be obtained from the Secretary.

Policyholder Service Office of Company
Address

The Penn Mutual Life Insurance Company
Mail Code C2L,
Philadelphia, PA 19172
Telephone # 1-800-523-0650

Name of Agent _____
Address _____
Telephone # _____

If we at the Penn Mutual Life Insurance Company fail to provide you with reasonable and adequate service, you should feel free to contact:

Arkansas Insurance Department
Consumer Services Division
400 University Tower Building
Little Rock, AR 72204
1-800-852-5494

Flexible Premium Adjustable Life Insurance Policy



- Death Benefit payable at death prior to Maturity Date
- Maturity Benefit Payable at Maturity Date
- Flexible premiums payable until Maturity Date
- Participating
- Supplemental benefits, if any, listed on Page 3

[The Penn Mutual Life Insurance Company, Philadelphia, Pennsylvania 19172
FL-08(U)(AR)]

Rider - Overloan Protection Benefit Agreement

The Penn Mutual Life Insurance Company agrees, subject to the provisions of the Policy and this agreement, to provide the Overloan Protection Benefit described below.

This agreement is a part of the Policy to which it is attached. It is subject to all of the provisions of the Policy unless stated otherwise in this agreement.

Overloan Protection Benefit - This rider will prevent your policy from lapsing when, on any Monthly Anniversary, the outstanding indebtedness on the policy equals or exceeds (a) multiplied by (b), where:

- (a) is the Cash Surrender Value minus the Monthly Deduction from the previous Monthly Anniversary; and
- (b) is the Specified Loan Percentage shown on the Policy Specifications Page.

If the above occurs, the policy will automatically become paid-up life insurance. The new Specified Amount of the Policy will be equal to the Policy Value, adjusted for a one-time Charge, multiplied by an attained age factor shown in the Table of Death Benefit Factors.

Conditions - This benefit is subject to the following conditions:

- (a) The Insured's attained age is 75 or older;
- (b) The Policy has been in force for a minimum of 15 years; and
- (c) The Amounts that may be withdrawn from the policy without the imposition of federal income tax must be taken as partial surrenders.

Charges. The one time Charge for this agreement is applied against the Policy Value when the benefit is exercised. This charge is shown on the Policy Specifications Page.

Impact of Policy Agreement. When the benefit described in this agreement is exercised, the following changes will be made to the Policy:

- (a) Interest will continue to be credited to the Policy Value;
- (b) If the Specified Amount does not include the Policy Value, it will be changed to include the Policy Value;
- (c) Any outstanding indebtedness will remain and interest will continue to be applied to the indebtedness and credited to the Policy Loan Account;
- (d) No further Monthly Deductions will be taken;
- (e) No additional premium payments, partial surrenders, or policy loans, or policy loan repayments will be allowed;
- (f) No further changes can be made to the policy;
- (g) All Supplemental Agreements attached to this policy will be terminated;
- (h) The new Death Benefit upon the date of death of the insured will be the greater of (i) or (ii), where:
 - (i) The Specified Amount of the paid-up life insurance; or
 - (ii) The appropriate attained age factor shown on the Policy Specifications Page multiplied by the greater of the Policy Value or the outstanding indebtedness.

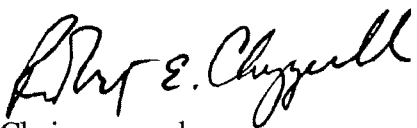
Termination of Agreement. This agreement will terminate upon:

- (a) Lapse, surrender, or maturity of this policy; or
- (b) Date of death of the Insured; or
- (c) Date of a policy loan that causes outstanding indebtedness which equals or exceeds (i) multiplied by (ii) where:
 - (i) is the Cash Surrender Value minus the Monthly Deduction from the previous Monthly Anniversary; and
 - (ii) is the Specified Loan Percentage shown on the Policy Specifications Page; or
- (d) the Monthly Anniversary which coincides with or next follows receipt by the Company of a written request to terminate this agreement.

Rider - Overloan Protection Benefit Agreement (continued)

Effective Date. The effective date of this agreement is the same as the Date of Issue of this Policy unless another effective date is shown below.

The Penn Mutual Life Insurance Company



Chairman and
Chief Executive Officer

<i>SERFF Tracking Number:</i>	<i>PNMU-125593294</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Penn Mutual Life Insurance Company</i>	<i>State Tracking Number:</i>	<i>38712</i>
<i>Company Tracking Number:</i>	<i>FL-08(S)(AR), ETC.</i>		
<i>TOI:</i>	<i>L09I Individual Life - Flexible Premium Adjustable Life</i>	<i>Sub-TOI:</i>	<i>L09I.001 Single Life</i>
<i>Product Name:</i>	<i>Flexible Premium Adjustable Kife</i>		
<i>Project Name/Number:</i>	<i>FL-08(S)(AR), etc. /FL-08(S)(AR), etc.</i>		

Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number:	PNMU-125593294	State:	Arkansas
Filing Company:	Penn Mutual Life Insurance Company	State Tracking Number:	38712
Company Tracking Number:	FL-08(S)(AR), ETC.		
TOI:	L09I Individual Life - Flexible Premium Adjustable Life	Sub-TOI:	L09I.001 Single Life
Product Name:	Flexible Premium Adjustable Kife		
Project Name/Number:	FL-08(S)(AR), etc. /FL-08(S)(AR), etc.		

Supporting Document Schedules

		Review Status:	
Satisfied -Name:	Certification/Notice		04/03/2008
Comments:			
Attachments:			
	FleshTestCert-AR.pdf		
	Compliance Cert 1.pdf		
	Compliance Cert 2.pdf		
		Review Status:	
Satisfied -Name:	Application		04/03/2008
Comments:			
Attachment:			
	John Doe Application.pdf		
		Review Status:	
Bypassed -Name:	Health - Actuarial Justification		04/03/2008
Bypass Reason:	N/A		
Comments:			
		Review Status:	
Bypassed -Name:	Outline of Coverage		04/03/2008
Bypass Reason:	N/A		
Comments:			
		Review Status:	
Satisfied -Name:	Actuary Memorandums		04/15/2008
Comments:			
Attachments:			
	Act Memo - FL-08(S).pdf		
	Act Memo - FL-08(U).pdf		
	Act Memo - Rider OPBA-08.pdf		

<i>SERFF Tracking Number:</i>	<i>PNMU-125593294</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Penn Mutual Life Insurance Company</i>	<i>State Tracking Number:</i>	<i>38712</i>
<i>Company Tracking Number:</i>	<i>FL-08(S)(AR), ETC.</i>		
<i>TOI:</i>	<i>L09I Individual Life - Flexible Premium</i>	<i>Sub-TOI:</i>	<i>L09I.001 Single Life</i>
	<i>Adjustable Life</i>		
<i>Product Name:</i>	<i>Flexible Premium Adjustable Kife</i>		
<i>Project Name/Number:</i>	<i>FL-08(S)(AR), etc. /FL-08(S)(AR), etc.</i>		

Illustrative Values for FL-08(S).pdf

Illustrative Values for FL-08(U).pdf

SERFF Tracking Number:	PNMU-125593294	State:	Arkansas
Filing Company:	Penn Mutual Life Insurance Company	State Tracking Number:	38712
Company Tracking Number:	FL-08(S)(AR), ETC.		
TOI:	L09I Individual Life - Flexible Premium Adjustable Life	Sub-TOI:	L09I.001 Single Life
Product Name:	Flexible Premium Adjustable Kife		
Project Name/Number:	FL-08(S)(AR), etc. /FL-08(S)(AR), etc.		

Review Status:

Satisfied -Name:	NAIC Transmittal	04/15/2008
Comments:		
Attachment:		
NAICTransmitAR.pdf		

Review Status:

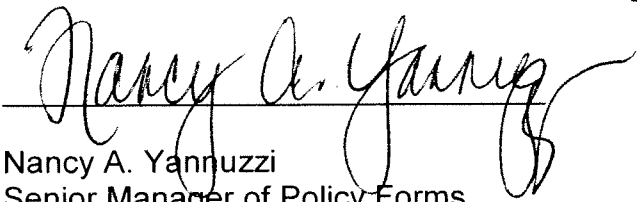
Satisfied -Name:	Stmt of Variability	04/15/2008
Comments:		
Attachment:		
Stmt of Var - FL-08(S), etc..pdf		

The Penn Mutual Life Insurance Company

CERTIFICATION

"This is to certify that the form listed below is in compliance with the requirements of Ark. Stat. Ann. 66-3251 through 66-3258, cited as the Life and Disability Insurance Policy Language Simplification Act."

<u>Form No.</u>	<u>Title</u>	<u>Flesch Score</u>
FL-08(S)(AR)	Flexible Premium Adjustable Life Insurance Policy	50.2
FL-08(U)(AR)	Flexible Premium Adjustable Life Insurance Policy	50.1
OPBA-08	Rider-Overloan Protection Benefit Agreement	53.0


Nancy A. Yannuzzi
Senior Manager of Policy Forms

April 14, 2008

Arkansas Certification of Compliance
Penn Mutual Life Insurance Company

We confirm that we are in compliance with Ark. Code Ann 23-79-138 in that each policy issued shall be accompanied by complete address, telephone number, 800 number of our policyholder's service office; the name, address and telephone number of the soliciting agent; and the address, telephone number and 800 number of the state insurance department.

We confirm that we are in compliance with Regulation 49 in that a guaranty fund notice will be given to each policy owner.

We certify that we are in compliance with Regulation 19 subsection 10B in that our filing meets the provisions of this rule as well as applicable requirements of the department.

We confirm that we are in compliance with Regulation 33 Article XI regarding agents' qualifications to sell variable life insurance.

The Penn Mutual Life Insurance Company was approved for the issuance of variable contracts as required by Regulation 33 Article III 1(b) on February 28, 1969.

CERTIFICATE OF COMPLIANCE

Arkansas Insurance Department Rule and
Regulation 34 - "Universal Life Insurance"

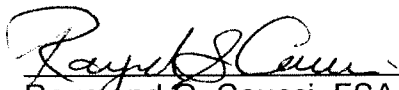
Form Number (s) to which this certification applies:

Form No. FL-08(S)(AR), FL-08(U)(AR), OPBA-08

I certify that I have reviewed the form(s) listed above, submitted with this Certificate, and to the best of my knowledge and ability, find that said form(s) complies with Section 6 and 7 (Valuation and Nonforfeiture) of Regulation No. 34.

I further certify that when calculating the Reserves under the minimum reserves method in Regulation No. 34, in no case will the Reserves be less than the Actual Cash Surrender Values provided for under the policy contract.

THE PENN MUTUAL LIFE INSURANCE COMPANY



Raymond G. Caucci, FSA, MAAA
Vice President & Life Product Actuary

April 14, 2008

CHECK BOX OF APPLICABLE COMPANY

- ☒ The Penn Mutual Life Insurance Company
Philadelphia, PA 19172
- ☐ The Penn Insurance and Annuity Company
Philadelphia, PA 19172

Application for Life Insurance

PART 1

A. PROPOSED INSURED 1	1. Name of First Insured (First, Middle, Last) <i>William Joseph Penn</i>			2. Sex <input checked="" type="checkbox"/> Male <input type="checkbox"/> Female		3. Date of Birth Month Day Year <i>01/01/1971</i>		
	4. Social Security No. <i>123-45-6789</i>		5. Birth Place <i>Philadelphia</i>		6. Citizen of (Country) <i>USA</i>		7. For Non-US citizen Visa # and Type (attach copy)	
	8. Residence: Street City State Zip <i>123 Broad St. Phila PA 19456</i>							
	9. Years at this Address <i>10</i>		10. Marital Status <input checked="" type="checkbox"/> M <input type="checkbox"/> D <input type="checkbox"/> S <input type="checkbox"/> W		11. Home Phone No. <i>(215) 956-8000</i>		12. Drivers License State and No. <i>PA-111-22-3333</i>	
	13. Occupation (include duties) <i>Sales clerk</i>							
	14. Employer <i>ABC Packaging</i>			15. How Long		16. Area Code and Business Phone No. ()		
	17. Street City State Zip <i>100 Cotton St. Phila Pa 19457</i>							
B. PROPOSED INSURED 2 Complete for <input type="checkbox"/> Survivorship <input type="checkbox"/> Additional Insured Rider For Children's Rider, complete form PM5023 If info for PI 1 is same as PI 2 indicate same.	1. Name of Second Insured (First, Middle, Last)			2. Sex <input type="checkbox"/> Male <input type="checkbox"/> Female		3. Date of Birth Month Day Year		
	4. Social Security No. — —		5. Birth Place		6. Citizen of (Country)		7. For Non-US citizen Visa # and Type (attach copy)	
	8. Residence: Street City State Zip							
	9. Years at this Address		10. Marital Status <input type="checkbox"/> M <input type="checkbox"/> D <input type="checkbox"/> S <input type="checkbox"/> W		11. Home Phone No. ()		12. Drivers License State and No.	
	13. Relationship to First Insured			14. Occupation (include duties)				
	15. Employer			16. How Long		17. Area Code and Business Phone No. ()		
	18. Street City State Zip							
C. PLAN OF INSURANCE	1. Plan Name <i>Flexible Premium Adjustable Life Insurance</i>			2. Term Rider Name				
	DEATH BENEFIT			DEATH BENEFIT OPTION (UL and VUL only)				
3. Face Amt. (Base Only) \$ <i>100,000</i>			4. Face Amt. (Term Portion) \$			5. Total Initial Coverage \$		
6. Check One			<input type="checkbox"/> Level Death Benefit			<input type="checkbox"/> Increasing Death Benefit		
7. Check One			<input type="checkbox"/> Guideline Premium			<input type="checkbox"/> Cash Value		
D. ADDITIONAL BENEFITS AND RIDERS	1. Universal Life Plans				2. Traditional / Term Plans			
	<input type="checkbox"/> Disability Waiver of Monthly Deductions <input type="checkbox"/> Disability Completion Benefit and Disability Waiver of Monthly Deductions <input type="checkbox"/> Accidental Death Benefit \$ _____ <input type="checkbox"/> Guaranteed Increase Option \$ _____ <input type="checkbox"/> Guaranteed Continuation of Policy <input type="checkbox"/> Extended No Lapse Guarantee <input type="checkbox"/> Option to Extend Maturity Rider <input type="checkbox"/> Other _____				<input type="checkbox"/> Guaranteed Premium Benefit <input type="checkbox"/> Option to Purchase Add'l Ins. \$ _____ <input type="checkbox"/> Accidental Death Benefit \$ _____ <input type="checkbox"/> Term Waiver of Premium (choose below) <input type="checkbox"/> Option A <input type="checkbox"/> Option B <input type="checkbox"/> Whole Life Waiver of Premium <input type="checkbox"/> Other _____ <input type="checkbox"/> Other _____ Automatic Premium Loan <input type="checkbox"/> Yes <input type="checkbox"/> No			

E. DIVIDEND OPTIONS	Universal Life <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Credited to Cash Value	Traditional Plans <input type="checkbox"/> Cash <input type="checkbox"/> Accumulate at Interest <input type="checkbox"/> Paid-up Additions <input type="checkbox"/> Other _____ <input type="checkbox"/> Premium Reduction (Not available with Penn Check or Salary Allotment)																																										
F. PREMIUM	1. Was Money collected with the Application? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Amount \$ _____ Number of Months (UL only) _____ (if "Yes" submit Temporary Insurance Agreement)																																											
	2. Billing Method <input type="checkbox"/> Regular <input type="checkbox"/> Penn Check add to existing account no. _____ <input type="checkbox"/> Salary Allotment add to existing account no. _____ Billing Mode <input type="checkbox"/> Single <input checked="" type="checkbox"/> Annual <input type="checkbox"/> Semi-annual <input type="checkbox"/> Quarterly <input type="checkbox"/> Monthly (Penn Check and Salary Allotment only) Billing Premium <u>1,171.51</u> Initial Additional Premium Deposit _____ <input type="checkbox"/> 1035X <input type="checkbox"/> Other																																											
	3. ADPUA <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, Lump Sum _____ Scheduled Amt. _____ 4. Will any part of the premium be paid from funds that are borrowed or otherwise financed? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes" details _____ _____ _____																																											
G. PENN CHECK ACCOUNT INFORMATION	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">1. Bank Name</td> <td style="width: 50%;">2. Bank Routing and Account No.</td> </tr> <tr> <td colspan="2">3. Account Type <input type="checkbox"/> Checking <input type="checkbox"/> Savings <input type="checkbox"/> Pershing <input type="checkbox"/> Other </td> </tr> <tr> <td colspan="2">4. Draw Date: <input type="checkbox"/> 1st <input type="checkbox"/> 8th <input type="checkbox"/> 15th <input type="checkbox"/> 22nd </td> </tr> <tr> <td colspan="2">5. Bank Address (Street, City, County, State, Zip)</td> </tr> <tr> <td>6. Name (First, Middle, Last) of First Depositor</td> <td>7. Name (First, Middle, Last) of Second Depositor</td> </tr> </table>		1. Bank Name	2. Bank Routing and Account No.	3. Account Type <input type="checkbox"/> Checking <input type="checkbox"/> Savings <input type="checkbox"/> Pershing <input type="checkbox"/> Other		4. Draw Date: <input type="checkbox"/> 1 st <input type="checkbox"/> 8 th <input type="checkbox"/> 15 th <input type="checkbox"/> 22 nd		5. Bank Address (Street, City, County, State, Zip)		6. Name (First, Middle, Last) of First Depositor	7. Name (First, Middle, Last) of Second Depositor																																
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H. OWNER	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="3">1. Name(s) (First, Middle, Last) of Owner(s) or Complete Name of Entity</td> <td colspan="3">2. Relationship to Proposed Insured</td> </tr> <tr> <td colspan="6">3. Address (Street, City, County, State, Zip)</td> </tr> <tr> <td>4. Date of Birth</td> <td>5. Soc. Sec. # / Tax ID</td> <td>6. Telephone #</td> <td colspan="3">7. Name of Trustee</td> </tr> <tr> <td></td> <td>— —</td> <td>()</td> <td colspan="3"></td> </tr> <tr> <td colspan="2">8. Date of Trust</td> <td colspan="4">9. Occupation</td> </tr> <tr> <td colspan="2">10. Household Net Income</td> <td>11. Tax Bracket</td> <td colspan="3">12. Liquid Net Worth (Exclude Primary Residence)</td> </tr> <tr> <td colspan="2"></td> <td>%</td> <td colspan="3"></td> </tr> </table>		1. Name(s) (First, Middle, Last) of Owner(s) or Complete Name of Entity			2. Relationship to Proposed Insured			3. Address (Street, City, County, State, Zip)						4. Date of Birth	5. Soc. Sec. # / Tax ID	6. Telephone #	7. Name of Trustee				— —	()				8. Date of Trust		9. Occupation				10. Household Net Income		11. Tax Bracket	12. Liquid Net Worth (Exclude Primary Residence)					%			
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		%																																										

I. SUITABILITY

This section must be completed for the Owner and is to be completed for all business as stated below.

For HTK Producers:
Complete this section for all Traditional Life Plans. For Variable Life Plans, complete the HTK Account Agreement in lieu of this section.

For Non-HTK Producers:
This section must be completed for both Traditional Plans as well as Variable Life Plans.

1. Prior Investment Experience (check one only)

- ☐ None - No investment experience. Previous holdings were generally limited to bank savings accounts and CD's
- ☐ Average - Invests in securities on an infrequent basis. Has 1-2 years experience investing in securities. Has a general knowledge of the risks and rewards of investing in securities.
- ☐ Above Average - Invests in securities on a frequent basis. Has a number of years experience investing in securities. Has a general knowledge of the risks and rewards of investing in securities.
- ☐ Active - Invests in securities on a frequent basis. Has a number of years experience investing in securities. Has extensive knowledge of the risks and rewards of investing in securities.

2. Primary Source of Funds (for this transaction, check one only)

- | | |
|---|--|
| <input type="checkbox"/> Current Income | <input type="checkbox"/> Rollover from pension/retirement fund |
| <input type="checkbox"/> Gift/Inheritance | <input type="checkbox"/> Proceeds from sale of stocks or bonds |
| <input type="checkbox"/> Proceeds from sale of mutual funds | <input type="checkbox"/> Policy Values from existing life/annuity contract |
| <input type="checkbox"/> Savings | <input type="checkbox"/> Surrender of life insurance/annuity contract |
| <input type="checkbox"/> Other _____ | <input type="checkbox"/> Personal Loan |

3. Financial Needs/Benefits (check all that apply)

- | | |
|---|---|
| <input type="checkbox"/> Death Benefit/Enhanced Death Benefit | <input type="checkbox"/> Savings, Accumulation |
| <input type="checkbox"/> Asset Rebalancing | <input type="checkbox"/> Diversification of Investments |
| <input type="checkbox"/> Retirement Funding | <input type="checkbox"/> Education/College Funding |
| <input type="checkbox"/> Estate Planning | <input type="checkbox"/> Business Purposes |
| <input type="checkbox"/> Tax Deferral/Tax Advantage | <input type="checkbox"/> Annuitization Options |
| <input type="checkbox"/> Debt Protection | <input type="checkbox"/> Current Income |
| <input type="checkbox"/> Charitable Giving | <input type="checkbox"/> Other _____ |

4. Risk Profile (Variable Life only, check one only)

- ☐ Conservative-Accepts a low return potential. Maintain a low degree of risk
- ☐ Moderate-Accepts fair degree of risk including lack of liquidity, in order to pursue the potential for a modest return
- ☐ Aggressive-Accepts high degree of risk, including a limited loss of principal, in order to pursue the potential for a higher return
- ☐ Very Aggressive-Accepts maximum degree of risk, including total loss of principal, in order to pursue the maximum possible return

5. Primary Investment Objective (Variable Life only, check one only)

- ☐ Safety of Principal -Preservation of investment Principal
- ☐ Income-Regular, current income stream. May need investment principal within next five years.
- ☐ Growth and Income-Moderate growth. Current Income Stream. May need investment principal within next five years
- ☐ Growth-Grow assets moderately or slightly above rate of inflation. Will not need investment principal for at least ten years
- ☐ Aggressive Growth-Desire to grow assets substantially. Will not need investment principal for at least ten years. Reinvestment of income
- ☐ Speculation-Grow assets substantially In short time frame. Higher than average possibility of total loss of principal. Will not need investment principal for at least ten years

J. PAYOR <i>Complete only if Payor is other than the Proposed Insured or Owner or if a different address is requested. If Payor is a trust or Insured's business, omit questions 5, 6 and 7.</i>	1. Name(s) (First, Middle, Last) of Payor(s) 3. Address: (Street, City, State, Zip) 4. Mailing Address (if different from above): (Street, City, State, Zip) 5. Occupation	2. Relationship to Proposed Insured 6. Annual earned income from occupation 7. Other Income & Source 8. Soc. Sec # or Tax ID # <div style="text-align: center;">— —</div>															
K. PRIMARY BENEFICIARY <i>Note: If no beneficiary survives the insured, proceeds revert to the Estate of the Insured.</i>	1. Name of Primary Beneficiary(ies). (If Trust, give Name, Date of Trust and Name of Trustee) <div style="font-family: cursive; font-size: 1.2em;">Sarah Ann Penn</div>																
	2. Relationship to Proposed Insured <div style="font-family: cursive; font-size: 1.2em;">Spouse</div>	3. Soc. Sec # or Tax ID # <div style="font-family: cursive; font-size: 1.2em;">987-65-4321</div>															
L. CONTINGENT BENEFICIARY	1. Name of Contingent Beneficiary 2. Relationship to Proposed Insured	3. Soc. Sec # or Tax ID # <div style="text-align: center;">— —</div>															
M. RIDER BENEFICIARY <i>If no beneficiary is named or survives insured, proceeds revert to the owner.</i>	1. Name of Rider Beneficiary 2. Relationship to Proposed Insured	3. Soc. Sec # or Tax ID # <div style="text-align: center;">— —</div>															
N. LIFE INSURANCE IN FORCE OR PENDING	<table style="width: 100%; border: none;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 20%; text-align: center;">Proposed Insured 1</th> <th style="width: 20%; text-align: center;">Proposed Insured 2</th> </tr> </thead> <tbody> <tr> <td>1. Have you ever applied for life, health or disability insurance and been declined, postponed or charged an increased premium?</td> <td style="text-align: center;"><input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</td> <td style="text-align: center;"><input type="checkbox"/> YES <input type="checkbox"/> NO</td> </tr> <tr> <td>2. Do you have any applications pending with any other life insurance company now?</td> <td style="text-align: center;"><input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</td> <td style="text-align: center;"><input type="checkbox"/> YES <input type="checkbox"/> NO</td> </tr> <tr> <td>3. Have you been involved in any discussion about the possible sale or assignment of this policy to a Life Settlement, Viatical or other secondary market provider?</td> <td style="text-align: center;"><input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</td> <td style="text-align: center;"><input type="checkbox"/> YES <input type="checkbox"/> NO</td> </tr> <tr> <td>4. Have you in the past 2 years sold a policy to a Life Settlement, Viatical or other secondary market provider?</td> <td style="text-align: center;"><input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</td> <td style="text-align: center;"><input type="checkbox"/> YES <input type="checkbox"/> NO</td> </tr> </tbody> </table> <p>If answered "Yes" to above questions, please give details for each Proposed Insured.</p> <p>Proposed Insured 1 _____</p> <p>Proposed Insured 2 _____</p>			Proposed Insured 1	Proposed Insured 2	1. Have you ever applied for life, health or disability insurance and been declined, postponed or charged an increased premium?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	<input type="checkbox"/> YES <input type="checkbox"/> NO	2. Do you have any applications pending with any other life insurance company now?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	<input type="checkbox"/> YES <input type="checkbox"/> NO	3. Have you been involved in any discussion about the possible sale or assignment of this policy to a Life Settlement, Viatical or other secondary market provider?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	<input type="checkbox"/> YES <input type="checkbox"/> NO	4. Have you in the past 2 years sold a policy to a Life Settlement, Viatical or other secondary market provider?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	<input type="checkbox"/> YES <input type="checkbox"/> NO
	Proposed Insured 1	Proposed Insured 2															
1. Have you ever applied for life, health or disability insurance and been declined, postponed or charged an increased premium?	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	<input type="checkbox"/> YES <input type="checkbox"/> NO															
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**N. LIFE
INSURANCE
IN FORCE
OR PENDING
(continued)**

5. List all Insurance In Force on any Proposed Insured. If none, check this box. ☒ **None**

Insured's Name & Company	Face Amount	Policy Number	Issue Year	Is this Policy being Replaced or Changed?	Check if 1035 Exchange
				<input type="checkbox"/> Yes <input type="checkbox"/> No	
				<input type="checkbox"/> Yes <input type="checkbox"/> No	
				<input type="checkbox"/> Yes <input type="checkbox"/> No	
				<input type="checkbox"/> Yes <input type="checkbox"/> No	
				<input type="checkbox"/> Yes <input type="checkbox"/> No	

**O. REPLACEMENT
AND 1035
EXCHANGE
INFORMATION**

1. a) Are you considering stopping premium payments, surrendering, replacing, forfeiting, assigning to the insurer or reducing your benefits under an existing policy or contract? ☐ YES ☒ NO
- b) Are you considering using or borrowing funds from your existing policies or contracts to pay premiums due on the new or applied for policy? ☐ YES ☒ NO

If answered "Yes" to either question, please complete and sign all required replacement forms.

2. If 1035 Exchange, will loan be carried over? ☐ YES ☐ NO If Yes, amount \$ _____

Details _____

**P. TOBACCO
AND/OR
NICOTINE USE**

1. Has any person proposed for coverage **ever** used tobacco or nicotine products in any form? ☐ PI1 Yes ☒ PI1 No ☐ PI2 Yes ☐ PI2 No
2. If "Yes":
PI1 Type _____ Frequency _____ Date Last Used _____
PI2 Type _____ Frequency _____ Date Last Used _____

**Q. PERSONAL
INFORMATION**

Complete for all
Proposed Insureds

Provide details to any
yes answers in the
"Details" section

1. Annual earned income from occupation (After deduction of business expenses)
2. Other income (State source in "Details")
3. Net Worth
4. Has any Proposed Insured declared bankruptcy? (If "Yes" has it been discharged and date of discharge)

PI1	PI2
\$ 50,000 -	\$
\$ 25,000 -	\$
\$ 500,000	\$

Declared Bankruptcy YES ☐ NO ☒ Discharged YES ☐ NO ☐ Date of Discharge _____

Details _____

Q. PERSONAL INFORMATION
(Continued)

Complete for all Proposed Insureds.

Provide details to any yes answers in "Details" Section

5. Does any Proposed Insured intend to reside or travel outside the United States within the next 24 months? (If "Yes" complete foreign travel questionnaire)
6. Is any Proposed Insured a member, or intending to become a member, of any armed forces or military reserve?
7. Within the past three years, has any Proposed Insured:
 - (a) Flown or taken instruction as a pilot or crew member or intend to do so? (If "Yes", complete Aviation Supplement)
 - (b) Engaged in any kind of racing, scuba or sky diving, hang gliding, rock climbing, or other hazardous avocation or intend to do so? (If "Yes", complete appropriate questionnaire)
 - (c) Been convicted of a moving violation or had their driver's license suspended or revoked?
8. Has any Proposed Insured ever:
 - (a) Used amphetamines, barbiturates, hallucinogens, marijuana, cocaine, narcotics, or other controlled substances, except as prescribed by a physician?
 - (b) Been counseled or treated for use of alcohol or drugs?
9. Within the past ten years, has any Proposed Insured been convicted of a felony?
10. Is there any family history of cancer, diabetes, heart disease, Huntington Chorea, neuromuscular disorder before the age of 60?

PI 1		PI 2	
YES	NO	YES	NO
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Details _____

R. PERSONAL PHYSICIAN

Name and address of Personal Physician(s): GIVE DATE AND REASON LAST CONSULTED.
(If no personal physician, list physician last consulted, date and reason last consulted)

1. Proposed Insured 1: Physician Name <i>Michael Jones</i>	2. Phone No. <i>215-956-1111</i>	3. Date Last Seen <i>7-15-2007</i>
4. Address: (Street, City, State, Zip) <i>99 Bird St., Horsham PA 19044</i>		
5. Reason Last Seen: <i>Routine Physical</i>		
6. Proposed Insured 2: Physician Name	7. Phone No. ()	8. Date Last Seen
9. Address: (Street, City, State, Zip)		
10. Reason Last Seen:		

S. MEDICAL HISTORY

Complete for all Proposed Insureds.

Provide details to any yes answers in "Details" Section

	Proposed Insured 1		Proposed Insured 2	
1. Height (in shoes)	5 ft.	11 in.	ft.	in.
2. Weight (clothed)	180 lbs.		lbs.	
3. Weight change in last year?	Yes _____	No <u>X</u>	Yes _____	No _____
If "Yes":	No. of lbs.	Reason:	No. of lbs.	Reason:
4. Birth weight if under 6 mo. old	lbs.		lbs.	
5. Are you presently taking medication either prescribed or over the counter? If yes, provide full details including name, dosage, and prescribing physician. (if applicable)	<div>PI1</div> <div>YES <input type="checkbox"/> NO <input checked="" type="checkbox"/></div>		<div>PI2</div> <div>YES <input type="checkbox"/> NO <input type="checkbox"/></div>	
6. Within the past five years, has any Proposed Insured:				
(a) Consulted a physician for any reason, had an electrocardiogram or other diagnostic tests?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(b) Been in a clinic, hospital or medical facility for observation or treatment?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(c) Been advised to have any diagnostic test, hospitalization or surgery which was not done?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Has any Proposed Insured ever been treated for, or been diagnosed with:				
(a) Chest pain, high blood pressure, stroke, heart murmur, or other circulatory disorder?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(b) Cancer, cyst, growth, tumor?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(c) Anxiety, depression, dizziness, convulsions, epilepsy or any mental or nervous disorder?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(d) Diabetes, thyroid or other glandular disease?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(e) Colitis, or any liver or gastrointestinal disorder?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(f) Breast, prostate or reproductive disorder?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(g) Kidney, bladder or other genitourinary disorder?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(h) Asthma, emphysema, chronic obstructive pulmonary disease (C.O.P.D.) or other respiratory disorder?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(i) An immune deficiency disorder, Acquired Immune Deficiency Syndrome (AIDS), Aids Related Complex (ARC), or tested positive for the HIV virus?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

T. DETAILS FOR MEDICAL HISTORY QUESTIONS

Question No. and Letter	Person	Date	Details (include full names and address of physicians, hospitals, etc.)
6a	William	7-15-07	Routine Physical - Dr. Michael Jones 99 Bird St., Horsham PA 19044

U. FAMILY HISTORY <small>* Complete amount of Insurance only if Primary Insured is under age 17.</small>	1. Proposed Insured 1	Age if Living	State of Health	Amount of Insurance *	Age at Death	Cause of Death
	Father <i>Mathew</i>				<i>81</i>	<i>natural cause</i>
	Mother <i>Mary</i>				<i>79</i>	<i>natural cause</i>
	Brothers and Sisters					
	No. Living <i>3</i>					
	No. Dead _____					
	1. Proposed Insured 2	Age if Living	State of Health	Amount of Insurance *	Age at Death	Cause of Death
	Father					
	Mother					
	Brothers and Sisters					
No. Living _____						
No. Dead _____						
CERTIFICATION OF OWNER'S TAXPAYER ID #	Under penalty of perjury, I the owner certify that: 1. The number shown in this application as my social security number or taxpayer identification number is correct; and 2. I am not subject to backup withholding because I have not been notified by the IRS that I am subject to backup withholding as a failure to report all interest or dividends, or the IRS has notified me that I am no longer subject to backup withholding, or I am exempt from backup withholding. 3. I am a U.S. person (including a U.S. resident alien) <input type="checkbox"/> Check this box if you are subject to backup withholding under section 3406(a)(1)(c) of the Internal Revenue Code.					
SPECIAL INSTRUCTIONS						
NON-CONFORMING ILLUSTRATION ACKNOWLEDGEMENT (NON-VARIABLE ONLY)	I acknowledge that the life insurance policy illustration shown to me differs from the policy application I have completed. I understand that if a policy is issued, an illustration conforming to the policy, as issued, will be provided to me for my signature no later than at the time the policy is delivered. <input type="checkbox"/> check if applicable					
AUTHORIZATION FOR FUND TRANSFER (VARIABLE ONLY)	The agent/registered representative may request transfers of account values pursuant to my instruction unless I check this box. <input type="checkbox"/> check if applicable					
PENN CHECK AUTHORIZATION	<p>By completing Section G of this application, I authorize monthly payments from my checking account, or from my Pershing Resource Checking or Pro Cash Plus account to the Penn Mutual Life Insurance Company, its subsidiaries, affiliates, third party administrators and reinsurers (herein Company) for premiums on this policy, beginning with the next periodic payment that comes due under the contract, until such time as a payment cannot be made due to insufficient funds or the Company gives the other parties at least 30 days' advance written notice of the termination of such payment plan. I am able to cancel the payment plan at any time by either calling the Company at 1-800-523-0650 or in writing. Monthly payments will be drawn from my account on or about the date specified in this application.</p> <p>I further agree that if any such check be dishonored, whether with or without cause and whether intentionally or inadvertently, the Company shall be under no liability whatsoever even though such dishonor results in the forfeiture of insurance.</p>					

REPRESENTATIONS	<p>I(we), the Proposed Insured(s), or Applicant(s) if Proposed Insured(s) is(are) age 17 or less, represent that the statements and answers in this part I of the application are written as made by me(us) and are complete and true to the best of my (our) knowledge and belief. I(we) the Proposed Insured(s), or the Applicant(s) if other than the Proposed Insured(s) agree that they will be a part of the contract of insurance if issued; that I(we) will be bound by such statements and answers, and that the Company, believing them to be true, will rely and act upon them. I(we) also understand and agree that:</p> <ol style="list-style-type: none"> 1. Subject to the provisions of the temporary insurance agreement attached to this application, no insurance will be in force until the first premium is paid in full and the policy is delivered while the health, habits, occupation and other facts relating to the Proposed Insured(s) and to the Payor, if a Payor Benefit is issued, are the same as described in this Part I of the application, any Part II required by the Company and any amendments or supplements to them. 2. Notice to or knowledge of an agent or a medical examiner is not notice to or knowledge of the Company, and no agent or medical examiner is authorized to accept risks, to pass upon acceptability for insurance or to modify any contract of insurance. 3. Acceptance of any policy issued based on this application will be a ratification of any amendments or corrections noted by the Company in the space headed "Home Office Amendments and Corrections", except that if required by state statute or regulation, any change in amount, age, plan of insurance, additional benefits or classification must be agreed to in writing.
FRAUD WARNING <i>Applies to all states except those specifically listed.</i>	<p>Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or a statement of claim containing any materially false information or conceals for the purpose of misleading information concerning any fact material thereto commits a fraudulent insurance act which is a crime and subjects such person to criminal and civil penalties.</p> <p>Colorado: It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, and denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado division of insurance within the department of regulatory agencies.</p> <p>District of Columbia: WARNING It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.</p> <p>Florida: Any person who knowingly and with intent to injure, defraud or deceive any insurer files a statement of claim or application containing any false, incomplete, or misleading information is guilty of a felony in the third degree.</p> <p>Kentucky: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information or conceals for the purpose of misleading information concerning any fact material thereto commits a fraudulent insurance act which is a crime.</p> <p>Louisiana: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.</p> <p>Maine & Tennessee: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purposes of defrauding the company. Penalties may include imprisonment, fines or a denial of insurance benefits.</p> <p>New Jersey: Any person who includes false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.</p> <p>New Mexico: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to civil fines and criminal penalties.</p> <p>Ohio: Any person who, with the intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.</p> <p>Oklahoma: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds for an insurance policy containing any false, incomplete or misleading information is guilty of a felony.</p> <p>Oregon: Any person who, knowingly and with intent to defraud any insurance company or other person, files an application for insurance or a statement of claim containing any materially false information or conceals for the purpose of misleading information concerning any fact material thereto commits a fraudulent insurance act which is a crime and may subject such person to criminal and civil penalties.</p> <p>Pennsylvania: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.</p> <p>Virginia: Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submit an application or files a claim containing a false or deceptive statement may have violated state law.</p> <p>Vermont: Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement may be proven guilty or fraud.</p> <p>Washington: Any person who knowingly presents a false or fraudulent claim for payment of a loss or knowingly makes a false statement in an application for insurance may be guilty of a criminal offense under state law.</p>

AUTHORIZATION

Write in names of all
Proposed Insureds.

I(we), _____
hereby authorize: (a) any physician, health care provider, health plan, medical professional, hospital, clinic, laboratory, pharmacy or other medical or health care facility that has provided payment, treatment or services to me(us) or on my(our) behalf; (b) any insurance company; and, (c) the Medical Information Bureau, Inc. (MIB), to disclose my(our) entire medical record and any other protected health information concerning me(us) to the Underwriting Department of The Penn Mutual Life Insurance Company, its subsidiaries, affiliates, third party administrators and reinsurers (herein Company).

I(we) understand that such information may include records relating to my(our) physical or mental condition such as diagnostic tests, physical examination notes, and treatment histories, which may include information regarding the diagnosis and treatment of human immunodeficiency virus (HIV) infection, sexually transmitted diseases, and mental illness, and the use of alcohol, drugs and tobacco, but shall not include psychotherapy notes.

I(we) acknowledge that any agreements I(we) have made to restrict my(our) protected health information do not apply to the Authorization, and I(we) instruct any physician, health care professional, hospital, clinic, medical facility or other health care provider to release and disclose my(our) entire medical record without restriction.

I(we) understand that this information will be used by the Company to determine eligibility for insurance.

I(we) hereby authorize the Company to disclose any information it obtains about me(us) to the Medical Information Bureau, Inc., or any other life insurance company with which I(we) do business. I understand that the Company will not disclose information it obtains about me(us) except as authorized by this Authorization, as may be required or permitted by law, or as I(we) may further authorize. I(we) understand that if information is redisclosed as permitted by this Authorization, it may no longer be protected by applicable federal privacy law.

I(we) understand that: (a) this Authorization shall be valid for 24 months from the date I(we) sign it; (b) I(we) may revoke it at any time by providing written notice to the Underwriting Department of the Company subject to the rights of any person who acted in reliance on it prior to receiving notice of its revocation; and (c) my(our) authorized representative and I(we) are entitled to receive a copy of the Authorization upon request and (d) a copy of this Authorization shall be as valid as the original.

I(we) acknowledge receiving an MIB, Inc. Notice, a Fair Credit Reporting Act Notice and a Notice of Information Practices and authorize Penn Mutual to obtain an investigative or other consumer report as described in the Fair Credit Reporting Act Notice.

SIGNATURES

Signed and Dated by the Applicant in:

Philadelphia
City

Pa
State

4-1-2008
Month/Day/Year

SIGNATURE OF INSURED - OR PARENT IF INSURED IS UNDER THE AGE OF 18

X William Joseph Penn X
Proposed Insured 1 Proposed Insured 2

SIGNATURE OF OWNER AND OR APPLICANT - IF OTHER THAN THE PROPOSED INSURED

X _____ X _____
Owner* Applicant

*If a Corporation, the signature and title of any authorized officer other than the Proposed Insured(s) is required and the full name of the corporation must be shown. If a Trust, the signature of the Trustee.

SIGNATURE OF PAYOR

X _____
Payor

**AGENTS
CERTIFICATION**

*Be sure to check
appropriate block.*

*Each agent present at
solicitation must sign.*

I certify to the best of my knowledge the answers to the questions in all parts of this application are true and correct. I further certify to the best of my knowledge this policy ☐ will ☒ will not replace or change any existing life insurance or annuity policy now in force.

X Samuel J. Johnson
Agent

X _____
Agent

X _____
Agent

X _____
Agent

X _____
Agent

X _____
Agent

**HOME OFFICE
AMENDMENTS
AND
CORRECTIONS**

*Not applicable in
Pennsylvania.*

PENN MUTUAL LIFE INSURANCE COMPANY

ACTUARIAL BASIS, CASH VALUE FORMULA
DEMONSTRATION OF COMPLIANCE WITH STANDARD NONFORFEITURE LAW
DEMONSTRATION OF COMPLIANCE WITH STANDARD VALUATION LAW

FLEXIBLE PREMIUM ADJUSTABLE LIFE, FORM FL-08(S)

I. DESCRIPTION OF POLICY CHARACTERISTICS

This policy provides adjustable life insurance coverage while the policy remains in force.

A. Death Benefits

Insurance on the life of the insured is integrated with the policy value under one of two options.

Under option one, the total death benefit is the Specified Amount on the date of death.

Under option two, the death benefit is defined as the Specified Amount on the date of death plus the policy value on the date of death.

Under either option, should the amount of a defined percentage of the policy value be greater than the death benefit on the date of death, the death benefit will be adjusted automatically to keep the death benefit equal to the defined percentage of the policy value. The defined percentage is that percentage which will continue to qualify the policy as life insurance under Section 7702 of the 1986 Internal Revenue Code. Note that this policy form can qualify for life insurance under either the Guideline Premium Test or the Cash Value Accumulation Test.

B. Policy Value

The policy value is the accumulation of interest of a percentage of the net premiums less expense charges and less the cost of insurance based on the net amount of risk.

C. Cash Surrender Value

The cash surrender value is the policy value less the surrender charge. A policy is subject to a surrender charge on the initial Specified Amount only during the first fourteen years in force and for fourteen years following an increase in the Specified Amount.

D. Continuation of Insurance

If the policyholder ceases paying premiums, the policy will continue in force for as long as the net cash surrender value is sufficient to keep it in force or the No Lapse Guarantee requirement is satisfied. The rates for calculating the Monthly Deductions will be the same as those used while on a premium paying basis.

E. No Lapse Guarantee

The policy will not lapse as a result of a Net Cash Surrender Value insufficient to cover the Monthly Deduction for the following month if, on a monthly anniversary prior to the Maturity Date, the No-Lapse Guarantee Requirement is satisfied. The No-Lapse Guarantee Requirement is satisfied if, on a monthly anniversary prior to the Maturity Date, the No-Lapse Guarantee Account less any outstanding indebtedness exceeds zero.

However, failure to satisfy this Requirement does not necessarily lapse the contract, provided the Net Cash Surrender Value is greater than zero.

F. Flexibility

At issue the owner selects both a premium amount and the amount of insurance, subject to the minimum amounts. At any time after the first policy year, while the policy is in force, the owner may change the amount of insurance. Decreases may not lower the amount of insurance below the minimum amount. Increases are subject to the rules of Penn Mutual as to age and amount. Evidence of insurability is required for any increase in the amount of insurance. Premiums after the first may be paid in any amount and at any interval subject to the following conditions:

- (1) No premium payment may be less than \$25 or such lower amount that may be established by Penn Mutual.
- (2) Penn Mutual reserves the right to limit total premiums paid in any policy year to the planned payments for that policy year as shown on Page 3 of the Policy.
- (3) If the Guideline Premium Test is used to qualify the policy as life insurance, total premiums paid in any year may not exceed the guideline premium limitation as set forth in Section 7702 of the Internal Revenue Code of 1986.

II. BASIS OF VALUES

A. Interest

The minimum interest rate that will be used in calculating the Policy Value is .24663% per month compounded monthly. This is equivalent to 3% per year compounded annually. The actual interest that will be credited to the Policy Value will be at rates set by Penn Mutual that could be higher than 3%.

Because of the retrospective approach used for the calculation of policy values, the use of an increased rate of interest in determining policy values would produce increased cash surrender values. Therefore, such use is not in conflict with the maximum interest rate defined in the Standard Nonforfeiture law.

B. Cost of Insurance

The guaranteed maximum cost of insurance rates applied in the calculation of policy values under this policy are the 2001 CSO Smoker and Nonsmoker Mortality Table, Age Nearest Birthday.

The company may use modified cost of insurance rates which produce a lower cost of insurance, thus producing higher cash surrender values than those generated by the guaranteed maximum rates.

C. Expense Charges

The maximum expense charges applicable under this policy are:

- (a) a percent of premium charge of 15% of each premium paid;
- (b) a monthly expense charge of \$9.00;
- (c) a monthly expense charge per \$1,000 of original Specified Amount that varies by issue age for the first 120 months following the date of issue; and
- (d) if the Specified Amount has been increased within the past year, a monthly expense charge per \$1,000 of the increased Specified Amount that varies by the age at the time of increase for the first 120 months following the date of increase.

D. The same basis of values applies whether premiums are being paid or the policyholder has ceased to pay premiums.

III. POLICY VALUE FORMULA AND COMPARISON OF FLEXIBLE PREMIUM ADJUSTABLE LIFE CASH SURRENDER VALUES WITH MINIMUM NONFORFEITURE REQUIREMENTS

For Flexible Premium Adjustable Life (FPAL) the ultimate plan of insurance is determined by assuming that the initial premium and death benefit continue unchanged. Since FPAL is a universal life type policy, the initial premium and initial death benefit are those selected by the policyowner at issue, and hence are known.

The Standard Nonforfeiture Law (SNFL) defines minimum policy values using a prospective formula. But the prospective SNFL formula can be mathematically converted to a retrospective form. The method of calculating FPAL policy values was designed to be consistent with the retrospective equivalent of the SNFL cash value formula.

The following section will demonstrate that FPAL cash surrender values are greater than minimum cash values required by the retrospective version of the SNFL formula using the following approach:

- (1) It will be shown that the FPAL policy value formula is consistent with the retrospective equivalent of the formula required by the SNFL.
 - (2) Minimum FPAL policy values will be generated by using the minimum interest rate of 3% and maximum cost of insurance rates in the policy value formula. Minimum FPAL cash surrender values are obtained by subtracting the maximum surrender charge from the policy values.
- Excess interest and/or lower cost of insurance rates will result in policy values greater than those based on guaranteed cost of insurance and the 3% minimum interest rate.
- (3) It will be shown that the maximum surrender charge for FPAL will, at all times, be less than or equal to the maximum expense allowance permitted by the SNFL.
 - (4) The combination of items (1), (2) and (3) above ensures that regardless of the incidence and amount of FPAL premium payments and benefit changes, FPAL cash surrender values will be greater than the minimum SNFL cash values generated by the retrospective equivalent of the SNFL formula.

The following is a definition of terms used in the policy value formulas:

- | | | |
|--------|---|---|
| t | = | duration from original issue date measured in months. |
| i' | = | monthly interest rate equal to 3% annually, which equals $(1.03)^{1/12} - 1$ |
| tq_x | = | 1/12 of the appropriate 2001 CSO mortality rate for age x where x is the "age nearest birthday" as of the policy anniversary prior to month t . |
| F_t | = | total death benefit in month t . |
| E | = | Monthly expense charge which equals \$9.00 per policy while the policy remains in force. |
| EC | = | excess of the first-year monthly charge per \$1,000 of original Specified Amount over the average (over 19 years) renewal monthly charge per \$1,000 of original Specified Amount. The monthly charge per \$1,000 of original Specified Amount varies by issue age and extends for the first 120 months following the date of issue or the date of an increase. |
| G_t | = | Gross premium collected in month t . All premiums are assumed to be paid monthly at the beginning of each month. |
| P_t | = | Net premium credited to policy values, which equals 85% of G_t . |

${}_t r_x$ = Maximum monthly cost of insurance rate which equals ${}_t q_x / (1 - {}_t q_x)$ where x is the "age nearest birthday" as of the policy anniversary prior to month t.

C_t = Maximum monthly cost of insurance for month t.

${}_t CV$ = Policy value at end of month t.

${}_t SC$ = Surrender Charge at end of month t.

${}_t CSV$ = Cash Surrender Value at end of month t.

The FPAL policy value at time of issue (after receipt of the initial premium) is P. The FPAL policy value at the end of the first month just prior to the payment of the second month's premium is:

$$(1) \quad {}_1 CV = (P_1 - E - EC - C_1) * (1 + i')$$

where:

$$(2) \quad C_1 = {}_1 r_x * \left[\frac{F_1}{(1 + i')} - P_1 \right] = \frac{{}_1 q_x}{1 - {}_1 q_x} * \left[\frac{F_1}{(1 + i')} - P_1 \right]$$

Substituting (2) into (1), we have:

$$\begin{aligned} (3) \quad {}_1 CV &= [P_1 - E - EC - \frac{{}_1 q_x}{1 - {}_1 q_x} * (\frac{F_1}{1 + i'} - P_1)] * (1 + i') \\ &= \frac{(P_1 - E - EC) * (1 + i') * (1 - {}_1 q_x) - {}_1 q_x * F_1 + {}_1 q_x * P_1 * (1 + i')}{1 - {}_1 q_x} \end{aligned}$$

Collecting terms:

$$(4) \quad {}_1 CV = \frac{(P_1) * (1 + i') - {}_1 q_x * F_1}{(1 - {}_1 q_x)} - (E + EC) * (1 + i')$$

and the cash surrender value, ${}_1 CSV$, is given by:

$$(5) \quad {}_1 CSV = \frac{(P_1) * (1 + i') - {}_1 q_x * F_1}{(1 - {}_1 q_x)} - (E + EC) * (1 + i') - {}_1 SC$$

Next it is necessary to show that the FPAL cash surrender value formula is consistent with the SNFL formula for calculating minimum cash values.

The first year minimum cash value required by the SNFL is calculated using a prospective formula involving the present value of future benefits less the present value of future adjusted net premiums. This prospective form can be converted into the following retrospective form by using the technique described on page 106 of Life Contingencies by C.W. Jordan.

The notation used for the SNFL minimum cash value formulas is as follows:

$$i = .03$$

$$q_{x+t} = \text{the appropriate 2001 CSO mortality rate where age } x+t \text{ is the "age nearest birthday" as of the } t\text{'th policy anniversary.}$$

$$P_t^A = \text{adjusted premium in year } t.$$

$$A_0 = \text{present value of future benefits at time of issue.}$$

$$PV(P_t^A)_0 = \text{present value of future adjusted premiums at time of issue.}$$

$$E^1 = \text{maximum first year expense allowance.}$$

$${}_tF = \text{death benefit in year } t.$$

$${}_tCV^M = \text{SNFL minimum cash value at end of year } t.$$

The retrospective formula for calculating the minimum cash value as defined by the SNFL, at the end of the first year, is:

$${}_1CV^M + q_x({}_1F - {}_1CV^M) = ({}_0CV^M + P_1^A)(1 + i)$$

$$(6) \quad {}_1CV^M = \frac{({}_0CV^M + P_1^A)(1 + i) - q_x \cdot {}_1F}{1 - q_x}$$

where:

$${}_0CV^M = A_0 - PV(P_t^A)_0$$

$PV(P^A)_0$ is the present value of future net adjusted premiums which is also equal to $A_0 + E^1$. Using this value of $PV(P^A)_0$, $CV^M_0 = A_0 - (A_0 + E^1) = -E^1$.

Substituting $-E^1$ for CV_0 in (6), we have:

$$(7) \quad {}_1CV^M = \frac{(P^A_1 - E^1)(1+i) - q_x * F_1}{1 - q_x}$$

$$= \frac{(P^A_1) * (1+i) - q_x * F_1 - E^1 * (1+i)}{1 - q_x} \quad (1 - q_x)$$

Formula (5) is shown for comparison of FPAL cash value to SNFL minimum:

$$(5) \quad {}_1CV = \frac{[P_1](1+i)^{12} - {}_1q_x * F_1 - (E + EC) * (1+i)^{12} - {}_1SC}{1 - {}_1q_x}$$

These two formulas are identical with the following exceptions:

(a) Formula (5) develops policy values (and, therefore, cash surrender values) on a monthly basis while formula (7) is an annual calculation. The terms for interest and mortality in formula (5) are the monthly equivalents of the like terms in formula (7) based on the following assumptions:

$$(1+i')^{12} = (1+i) \quad (\text{compound interest})$$

$${}_1q_x = (1/12) * q_x \quad (\text{uniform distribution of deaths})$$

(b) The monthly expense charge, E , in formula (5) does not appear in formula (7) because it is a level expense charge. Level expense charges are not subject to the first year expense allowance limit and do not appear in the formula for minimum cash values under SNFL.

(c) The term EC in formula (5) is analogous to E^1 in formula (7). It will be demonstrated that the value of EC plus the surrender charge can never exceed the minimum expense allowance under SNFL. This is a necessary condition to substantiate that the FPAL policy value and corresponding cash value formulas satisfy minimum requirements.

For renewal periods after the first year, the same consistency as demonstrated above exists. Consider the $t+1$ st month policy value where $t \geq 12$, just prior to the payment of the monthly premium P_{t+2} , which is due on the $t+1$ st month anniversary day. The FPAL formula is:

$$(7) \quad {}_{t+1}CV = ({}_tCV + P_{t+1})(1+i') - (1+i') C_{t+1} - E(1+i')$$

where:

$$(8) \quad C_{t+1} = \frac{{}_t r_x [F_{t+1} - ({}_t CV + P_{t+1})]}{1 + i'} = \frac{{}_{t+1} q_x [F_{t+1} - ({}_t CV + P_{t+1})]}{1 - {}_{t+1} q_x} \frac{1}{1 + i'}$$

Substituting (8) in (7), we have:

$$(9) \quad {}_{t+1} CV = ({}_t CV + P_{t+1} - E)(1 + i') - (1 + i') * \frac{{}_{t+1} q_x [F_{t+1} - ({}_t CV + P_{t+1})]}{(1 - {}_{t+1} q_x)(1 + i')}$$

$$(10) \quad {}_{t+1} CV = \frac{({}_t CV + P_{t+1} - E)(1 + i') - {}_{t+1} q_x * F_{t+1} + E * (1 + i') * ({}_{t+1} q_x)}{1 - {}_{t+1} q_x}$$

Using the retrospective method of calculating the SNFL minimum policy value for duration t+1, we have:

$$(11) \quad {}_{t+1} CV^M = \frac{({}_t CV^M + P_{t+1}^A)(1 + i) - q_{x+t+1} * {}_{t+1} F}{1 - q_{x+t+1}}$$

The SNFL formula (11) is the same as the FPAL formula (10) except for the monthly versus annual time period, and except for the expense charge term, which is a level expense charge and does not appear in the formula for minimum cash values under SNFL.

Upon surrender of the Flexible Premium Adjustable Life Policy, a surrender charge is applied against the policy value. The surrender charge is determined by multiplying (d) times 90% of the lesser of (a), (b), and (c) where:

- (a) total premium paid in first 12 months after policy issue;
- (b) the Maximum Surrender Charge Premium;
- (c) \$25.00 per thousand of Specified Amount;
- (d) a factor based on policy year as follows:

<u>Policy Year</u>	<u>Factor</u>
1	1.00
2	.90
3	.83
4	.76
5	.69
6	.62
7	.55
8	.48
9	.41
10	.34
11	.27
12	.20
13	.13
14	.06
15+	0

Given we calculated the Flexible Premium Adjustable Life policy values using the minimum interest rate of 3% and the maximum monthly cost of insurance rates, the cash surrender values will be greater than the minimum policy values required by the SNFL, provided that the surrender charge can never be greater than the unamortized and unused portion of the maximum first year expense allowance under the SNFL.

The formula for the SNFL maximum allowance is:

$$E = (1.25 * H) + 10$$

where H is the minimum value of P or 40. [P is the Net Level Annual Premium].

Table 2 summarizes the maximum SNFL first year expense allowance age-by-age for comparison versus the maximum surrender charge. The nonforfeiture interest rate used is the maximum rate allowed by law (5%). Using a rate in excess of the policy's guarantee rate produces a smaller SNFL maximum first year expense allowance which is conservative when demonstrating compliance with SNFL.

As shown in Table 2, for each age, the maximum surrender charge plus the first year expense charge is less than the SNFL maximum first year expense allowance.


Table 3 shows, for various issue ages, the run off of the unamortized first year expense allowance versus the surrender charge. Note that in the ten years after issue and in the ten years following an increase, there is an annualized expense charge per \$1,000 of Specified Amount that varies by issue age or the age at the time of increase. The unamortized expense allowance reflects this charge. Table 4 contains the Maximum Surrender Charge Premiums and Table 5 contains the monthly expense charges per \$1,000 of Specified Amount.

A comment should be made about the consistency between the adjusted premiums (P^A) in the SNFL formulas and the net premiums less level expense charge ($P-E$) in the FPAL policy value formulas. The present value of adjusted premiums is equal to the present value of future benefits plus the first year expense allowance (E^1) at time of issue in the SNFL formula. Likewise, the present value of net premiums less level expense charge ($P-E$) (where P equals 85% of gross premiums and E equals \$9.00) is equal to the present value of future benefits, using the minimum 3% interest rate and maximum cost of insurance rates, which are based on the appropriate 2001 CSO mortality table. Effectively, the SNFL formula and the FPAL cash policy value formula amortize the first year expense charges over the premium paying period of the policy, and the first year expense allowance in the SNFL formula is greater than the policy surrender charge in the FPAL policy value formula. Thus the FPAL cash surrender value must be greater than the minimum SNFL value by the unamortized portion of the excess first year expenses.

The method of calculating policy values is described in the policy form and annually the Company will furnish the insured a statement showing the current policy values.

IV. VALUATION BASIS

The Standard Valuation Law requires minimum reserves to be computed under the Commissioner's Reserve Valuation Method (CRVM). The statutory reserve of this policy will be calculated as the greater of the following: the CRVM method; the reserve for the no-lapse guarantee; or the cash surrender value (see attached Statutory Reserves memo).


Andrew W. Martin, F.S.A., M.A.A.A.
Associate Actuary

Guar COI

2001 CSO Guaranteed COI Rates

Issue Age	Male PPNT	Male PNT	Male NT	Male PT	Male T	Female PPNT	Female PNT	Female NT	Female PT	Female T
0	0.00097	0.00097	0.00097	0.00097	0.00097	0.00048	0.00048	0.00048	0.00048	0.00048
1	0.00056	0.00056	0.00056	0.00056	0.00056	0.00035	0.00035	0.00035	0.00035	0.00035
2	0.00039	0.00039	0.00039	0.00039	0.00039	0.00026	0.00026	0.00026	0.00026	0.00026
3	0.00027	0.00027	0.00027	0.00027	0.00027	0.00020	0.00020	0.00020	0.00020	0.00020
4	0.00021	0.00021	0.00021	0.00021	0.00021	0.00019	0.00019	0.00019	0.00019	0.00019
5	0.00021	0.00021	0.00021	0.00021	0.00021	0.00018	0.00018	0.00018	0.00018	0.00018
6	0.00022	0.00022	0.00022	0.00022	0.00022	0.00018	0.00018	0.00018	0.00018	0.00018
7	0.00022	0.00022	0.00022	0.00022	0.00022	0.00021	0.00021	0.00021	0.00021	0.00021
8	0.00022	0.00022	0.00022	0.00022	0.00022	0.00021	0.00021	0.00021	0.00021	0.00021
9	0.00023	0.00023	0.00023	0.00023	0.00023	0.00021	0.00021	0.00021	0.00021	0.00021
10	0.00023	0.00023	0.00023	0.00023	0.00023	0.00022	0.00022	0.00022	0.00022	0.00022
11	0.00027	0.00027	0.00027	0.00027	0.00027	0.00023	0.00023	0.00023	0.00023	0.00023
12	0.00033	0.00033	0.00033	0.00033	0.00033	0.00027	0.00027	0.00027	0.00027	0.00027
13	0.00039	0.00039	0.00039	0.00039	0.00039	0.00030	0.00030	0.00030	0.00030	0.00030
14	0.00047	0.00047	0.00047	0.00047	0.00047	0.00033	0.00033	0.00033	0.00033	0.00033
15	0.00061	0.00061	0.00061	0.00061	0.00061	0.00035	0.00035	0.00035	0.00035	0.00035
16	0.00074	0.00074	0.00074	0.00074	0.00074	0.00039	0.00039	0.00039	0.00039	0.00039
17	0.00087	0.00087	0.00087	0.00087	0.00087	0.00041	0.00041	0.00041	0.00041	0.00041
18	0.00094	0.00094	0.00094	0.00094	0.00094	0.00043	0.00043	0.00043	0.00043	0.00043
19	0.00098	0.00098	0.00098	0.00098	0.00098	0.00046	0.00046	0.00046	0.00046	0.00046
20	0.00095	0.00095	0.00095	0.00127	0.00127	0.00045	0.00045	0.00045	0.00058	0.00058
21	0.00095	0.00095	0.00095	0.00133	0.00133	0.00046	0.00046	0.00046	0.00061	0.00061
22	0.00095	0.00095	0.00095	0.00140	0.00140	0.00048	0.00048	0.00048	0.00065	0.00065
23	0.00096	0.00096	0.00096	0.00146	0.00146	0.00048	0.00048	0.00048	0.00067	0.00067
24	0.00097	0.00097	0.00097	0.00154	0.00154	0.00050	0.00050	0.00050	0.00072	0.00072
25	0.00098	0.00098	0.00098	0.00163	0.00163	0.00050	0.00050	0.00050	0.00077	0.00077
26	0.00102	0.00102	0.00102	0.00171	0.00171	0.00053	0.00053	0.00053	0.00081	0.00081
27	0.00107	0.00107	0.00107	0.00181	0.00181	0.00057	0.00057	0.00057	0.00087	0.00087
28	0.00105	0.00105	0.00105	0.00182	0.00182	0.00058	0.00058	0.00058	0.00092	0.00092
29	0.00103	0.00103	0.00103	0.00181	0.00181	0.00062	0.00062	0.00062	0.00099	0.00099
30	0.00102	0.00102	0.00102	0.00180	0.00180	0.00064	0.00064	0.00064	0.00103	0.00103
31	0.00101	0.00101	0.00101	0.00180	0.00180	0.00068	0.00068	0.00068	0.00112	0.00112
32	0.00101	0.00101	0.00101	0.00182	0.00182	0.00072	0.00072	0.00072	0.00119	0.00119
33	0.00104	0.00104	0.00104	0.00187	0.00187	0.00076	0.00076	0.00076	0.00128	0.00128
34	0.00106	0.00106	0.00106	0.00194	0.00194	0.00082	0.00082	0.00082	0.00139	0.00139
35	0.00109	0.00109	0.00109	0.00200	0.00200	0.00089	0.00089	0.00089	0.00153	0.00153
36	0.00115	0.00115	0.00115	0.00211	0.00211	0.00095	0.00095	0.00095	0.00165	0.00165
37	0.00120	0.00120	0.00120	0.00223	0.00223	0.00103	0.00103	0.00103	0.00179	0.00179
38	0.00129	0.00129	0.00129	0.00240	0.00240	0.00107	0.00107	0.00107	0.00188	0.00188
39	0.00137	0.00137	0.00137	0.00257	0.00257	0.00113	0.00113	0.00113	0.00200	0.00200
40	0.00146	0.00146	0.00146	0.00277	0.00277	0.00120	0.00120	0.00120	0.00212	0.00212
41	0.00158	0.00158	0.00158	0.00303	0.00303	0.00127	0.00127	0.00127	0.00226	0.00226
42	0.00173	0.00173	0.00173	0.00333	0.00333	0.00135	0.00135	0.00135	0.00243	0.00243
43	0.00190	0.00190	0.00190	0.00369	0.00369	0.00145	0.00145	0.00145	0.00263	0.00263
44	0.00210	0.00210	0.00210	0.00412	0.00412	0.00157	0.00157	0.00157	0.00286	0.00286
45	0.00233	0.00233	0.00233	0.00457	0.00457	0.00171	0.00171	0.00171	0.00313	0.00313
46	0.00255	0.00255	0.00255	0.00499	0.00499	0.00187	0.00187	0.00187	0.00343	0.00343
47	0.00279	0.00279	0.00279	0.00546	0.00546	0.00207	0.00207	0.00207	0.00381	0.00381
48	0.00293	0.00293	0.00293	0.00572	0.00572	0.00229	0.00229	0.00229	0.00428	0.00428
49	0.00309	0.00309	0.00309	0.00602	0.00602	0.00253	0.00253	0.00253	0.00481	0.00481
50	0.00332	0.00332	0.00332	0.00645	0.00645	0.00281	0.00281	0.00281	0.00539	0.00539
51	0.00359	0.00359	0.00359	0.00696	0.00696	0.00312	0.00312	0.00312	0.00602	0.00602
52	0.00396	0.00396	0.00396	0.00766	0.00766	0.00347	0.00347	0.00347	0.00671	0.00671
53	0.00436	0.00436	0.00436	0.00846	0.00846	0.00385	0.00385	0.00385	0.00744	0.00744
54	0.00487	0.00487	0.00487	0.00945	0.00945	0.00425	0.00425	0.00425	0.00825	0.00825
55	0.00550	0.00550	0.00550	0.01057	0.01057	0.00468	0.00468	0.00468	0.00909	0.00909
56	0.00614	0.00614	0.00614	0.01171	0.01171	0.00518	0.00518	0.00518	0.00999	0.00999
57	0.00683	0.00683	0.00683	0.01292	0.01292	0.00570	0.00570	0.00570	0.01095	0.01095
58	0.00742	0.00742	0.00742	0.01388	0.01388	0.00626	0.00626	0.00626	0.01188	0.01188
59	0.00811	0.00811	0.00811	0.01498	0.01498	0.00682	0.00682	0.00682	0.01291	0.01291
60	0.00893	0.00893	0.00893	0.01631	0.01631	0.00740	0.00740	0.00740	0.01399	0.01399

Guar COI

2001 CSO Guaranteed COI Rates

Issue Age	Male PPNT	Male PNT	Male NT	Male PT	Male T	Female PPNT	Female PNT	Female NT	Female PT	Female T
61	0.00993	0.00993	0.00993	0.01797	0.01797	0.00804	0.00804	0.00804	0.01510	0.01510
62	0.01115	0.01115	0.01115	0.01996	0.01996	0.00873	0.00873	0.00873	0.01635	0.01635
63	0.01252	0.01252	0.01252	0.02218	0.02218	0.00944	0.00944	0.00944	0.01761	0.01761
64	0.01397	0.01397	0.01397	0.02445	0.02445	0.01021	0.01021	0.01021	0.01893	0.01893
65	0.01549	0.01549	0.01549	0.02669	0.02669	0.01106	0.01106	0.01106	0.02037	0.02037
66	0.01703	0.01703	0.01703	0.02885	0.02885	0.01200	0.01200	0.01200	0.02191	0.02191
67	0.01860	0.01860	0.01860	0.03095	0.03095	0.01303	0.01303	0.01303	0.02364	0.02364
68	0.02028	0.02028	0.02028	0.03316	0.03316	0.01419	0.01419	0.01419	0.02553	0.02553
69	0.02203	0.02203	0.02203	0.03535	0.03535	0.01545	0.01545	0.01545	0.02759	0.02759
70	0.02415	0.02415	0.02415	0.03801	0.03801	0.01684	0.01684	0.01684	0.02989	0.02989
71	0.02652	0.02652	0.02652	0.04092	0.04092	0.01845	0.01845	0.01845	0.03252	0.03252
72	0.02963	0.02963	0.02963	0.04488	0.04488	0.02024	0.02024	0.02024	0.03541	0.03541
73	0.03292	0.03292	0.03292	0.04886	0.04886	0.02219	0.02219	0.02219	0.03853	0.03853
74	0.03638	0.03638	0.03638	0.05288	0.05288	0.02433	0.02433	0.02433	0.04196	0.04196
75	0.04016	0.04016	0.04016	0.05757	0.05757	0.02670	0.02670	0.02670	0.04540	0.04540
76	0.04429	0.04429	0.04429	0.06255	0.06255	0.02930	0.02930	0.02930	0.04916	0.04916
77	0.04909	0.04909	0.04909	0.06833	0.06833	0.03217	0.03217	0.03217	0.05320	0.05320
78	0.05470	0.05470	0.05470	0.07501	0.07501	0.03533	0.03533	0.03533	0.05757	0.05757
79	0.06118	0.06118	0.06118	0.08262	0.08262	0.03876	0.03876	0.03876	0.06228	0.06228
80	0.06826	0.06826	0.06826	0.09075	0.09075	0.04258	0.04258	0.04258	0.06737	0.06737
81	0.07632	0.07632	0.07632	0.09987	0.09987	0.04778	0.04778	0.04778	0.07453	0.07453
82	0.08473	0.08473	0.08473	0.10909	0.10909	0.05365	0.05365	0.05365	0.08232	0.08232
83	0.09382	0.09382	0.09382	0.11877	0.11877	0.05950	0.05950	0.05950	0.08992	0.08992
84	0.10389	0.10389	0.10389	0.12932	0.12932	0.06598	0.06598	0.06598	0.09810	0.09810
85	0.11517	0.11517	0.11517	0.14175	0.14175	0.07329	0.07329	0.07329	0.10634	0.10634
86	0.12768	0.12768	0.12768	0.15538	0.15538	0.07992	0.07992	0.07992	0.11323	0.11323
87	0.14139	0.14139	0.14139	0.17007	0.17007	0.08992	0.08992	0.08992	0.12416	0.12416
88	0.15610	0.15610	0.15610	0.18555	0.18555	0.10038	0.10038	0.10038	0.13509	0.13509
89	0.17167	0.17167	0.17167	0.20160	0.20160	0.11156	0.11156	0.11156	0.14611	0.14611
90	0.18796	0.18796	0.18796	0.21802	0.21802	0.12188	0.12188	0.12188	0.15503	0.15503
91	0.20332	0.20332	0.20332	0.23286	0.23286	0.12710	0.12710	0.12710	0.15697	0.15697
92	0.21937	0.21937	0.21937	0.24804	0.24804	0.13740	0.13740	0.13740	0.16490	0.16490
93	0.23634	0.23634	0.23634	0.26377	0.26377	0.15270	0.15270	0.15270	0.17769	0.17769
94	0.25433	0.25433	0.25433	0.28013	0.28013	0.17207	0.17207	0.17207	0.19406	0.19406
95	0.27327	0.27327	0.27327	0.29829	0.29829	0.19607	0.19607	0.19607	0.21889	0.21889
96	0.29066	0.29066	0.29066	0.31435	0.31435	0.21895	0.21895	0.21895	0.24168	0.24168
97	0.30926	0.30926	0.30926	0.33134	0.33134	0.24260	0.24260	0.24260	0.26466	0.26466
98	0.32917	0.32917	0.32917	0.34933	0.34933	0.26666	0.26666	0.26666	0.26577	0.26577
99	0.35049	0.35049	0.35049	0.36839	0.36839	0.26026	0.26026	0.26026	0.27702	0.27702
100	0.37337	0.37337	0.37337	0.38859	0.38859	0.28193	0.28193	0.28193	0.29642	0.29642
101	0.39158	0.39158	0.39158	0.40392	0.40392	0.30512	0.30512	0.30512	0.31720	0.31720
102	0.41105	0.41105	0.41105	0.42013	0.42013	0.33108	0.33108	0.33108	0.34016	0.34016
103	0.43184	0.43184	0.43184	0.43720	0.43720	0.35950	0.35950	0.35950	0.36488	0.36488
104	0.45403	0.45403	0.45403	0.45521	0.45521	0.39093	0.39093	0.39093	0.39180	0.39180
105	0.47740	0.47740	0.47740	0.47850	0.47850	0.42510	0.42510	0.42510	0.42592	0.42592
106	0.50233	0.50233	0.50233	0.50337	0.50337	0.46033	0.46033	0.46033	0.46108	0.46108
107	0.52895	0.52895	0.52895	0.52992	0.52992	0.49662	0.49662	0.49662	0.49732	0.49732
108	0.55737	0.55737	0.55737	0.55826	0.55826	0.53334	0.53334	0.53334	0.53399	0.53399
109	0.58770	0.58770	0.58770	0.58852	0.58852	0.57181	0.57181	0.57181	0.57241	0.57241
110	0.62005	0.62005	0.62005	0.62081	0.62081	0.61140	0.61140	0.61140	0.61195	0.61195
111	0.65460	0.65460	0.65460	0.65528	0.65528	0.64969	0.64969	0.64969	0.65020	0.65020
112	0.69147	0.69147	0.69147	0.69209	0.69209	0.68705	0.68705	0.68705	0.68750	0.68750
113	0.73087	0.73087	0.73087	0.73140	0.73140	0.72125	0.72125	0.72125	0.72166	0.72166
114	0.77292	0.77292	0.77292	0.77339	0.77339	0.76978	0.76978	0.76978	0.77013	0.77013
115	0.81785	0.81785	0.81785	0.81824	0.81824	0.81526	0.81526	0.81526	0.81556	0.81556
116	0.86586	0.86586	0.86586	0.86617	0.86617	0.86279	0.86279	0.86279	0.86302	0.86302
117	0.91717	0.91717	0.91717	0.91742	0.91742	0.91531	0.91531	0.91531	0.91548	0.91548
118	0.97206	0.97206	0.97206	0.97221	0.97221	0.96414	0.96414	0.96414	0.96426	0.96426
119	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
120	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000

Table 2

MALE PREFERRED PLUS NONTOBACCO

ISSUE AGE	(1) NET LEVEL ANNUAL PREMIUM	(2) MAXIMUM FIRST YEAR EXPENSE ALLOWANCE	(3) FIRST YEAR EXPENSE CHARGE	(4) AVERAGE RENEWAL EXPENSE CHARGE	(5) (2) - (3) INITIAL ACQUIS EXPENSE CHARGE	(6) MAXIMUM SURRENDER CHARGE	(7) (4) + (5) TOTAL CHARGES	(8) (1) - (6) UNUSED EXPENSE ALLOWANCE
0	1.70	12.12	3.90	1.85	2.05	2.25	4.30	7.82
1	1.74	12.17	3.90	1.85	2.05	2.39	4.44	7.73
2	1.80	12.25	3.90	1.85	2.05	2.52	4.57	7.68
3	1.87	12.34	3.90	1.85	2.05	2.65	4.70	7.64
4	1.96	12.45	3.90	1.85	2.05	2.78	4.83	7.61
5	2.05	12.56	3.90	1.85	2.05	2.92	4.97	7.59
6	2.15	12.68	3.90	1.85	2.05	3.05	5.10	7.58
7	2.25	12.81	3.90	1.85	2.05	3.18	5.23	7.58
8	2.35	12.94	3.90	1.85	2.05	3.31	5.36	7.58
9	2.47	13.08	3.90	1.85	2.05	3.45	5.50	7.58
10	2.59	13.23	3.90	1.85	2.05	3.58	5.63	7.60
11	2.71	13.39	3.90	1.85	2.05	3.71	5.76	7.63
12	2.84	13.55	3.90	1.85	2.05	3.84	5.90	7.65
13	2.97	13.72	3.90	1.85	2.05	3.98	6.03	7.69
14	3.11	13.89	3.90	1.85	2.05	4.11	6.17	7.73
15	3.26	14.07	3.90	1.85	2.05	4.24	6.29	7.78
16	3.40	14.25	3.90	1.85	2.05	4.37	6.43	7.82
17	3.54	14.43	3.90	1.85	2.05	4.51	6.56	7.87
18	3.69	14.61	3.90	1.85	2.05	4.64	6.70	7.92
19	3.84	14.80	3.90	1.85	2.05	4.77	6.82	7.98
20	4.00	15.00	3.62	1.72	1.91	3.02	4.92	10.08
21	4.17	15.21	3.64	1.72	1.91	3.13	5.05	10.16
22	4.35	15.43	3.64	1.72	1.91	3.25	5.16	10.27
23	4.53	15.67	3.64	1.72	1.91	3.37	5.28	10.39
24	4.73	15.92	3.64	1.72	1.91	3.48	5.40	10.52
25	4.94	16.18	3.64	1.72	1.91	3.60	5.51	10.67
26	5.17	16.46	3.65	1.73	1.92	3.79	5.71	10.75
27	5.40	16.75	3.65	1.73	1.92	3.98	5.90	10.85
28	5.65	17.06	3.65	1.73	1.92	4.17	6.09	10.97
29	5.91	17.38	3.65	1.73	1.92	4.36	6.28	11.11
30	6.19	17.73	3.66	1.73	1.93	4.55	6.47	11.26
31	6.48	18.10	3.66	1.73	1.93	4.73	6.66	11.44
32	6.80	18.50	3.66	1.73	1.93	4.92	6.85	11.65
33	7.13	18.92	3.67	1.74	1.93	5.11	7.04	11.87
34	7.49	19.36	3.67	1.74	1.93	5.30	7.23	12.13
35	7.87	19.84	3.67	1.74	1.93	5.49	7.42	12.41
36	8.27	20.34	3.67	1.74	1.93	5.75	7.68	12.65
37	8.69	20.87	3.68	1.75	1.94	6.01	7.95	12.92
38	9.14	21.43	3.68	1.75	1.94	6.27	8.21	13.22
39	9.62	22.03	3.70	1.75	1.95	6.53	8.48	13.55
40	10.13	22.66	3.70	1.75	1.95	6.80	8.74	13.92
41	10.66	23.33	3.70	1.75	1.95	7.06	9.00	14.33
42	11.23	24.04	3.71	1.76	1.95	7.32	9.27	14.77
43	11.83	24.78	3.71	1.76	1.95	7.58	9.53	15.25
44	12.46	25.58	3.72	1.76	1.96	7.84	9.80	15.78
45	13.13	26.41	3.72	1.76	1.96	8.10	10.06	16.35

Table 2

MALE PREFERRED PLUS NONTOBACCO

ISSUE AGE	NET LEVEL ANNUAL PREMIUM	(1) MAXIMUM FIRST YEAR EXPENSE ALLOWANCE	(2) FIRST YEAR EXPENSE CHARGE	(3) AVERAGE RENEWAL EXPENSE CHARGE	(4) (2) - (3) INITIAL ACQUIS EXPENSE CHARGE	(5) MAXIMUM SURRENDER CHARGE	(6) (4) + (5) TOTAL CHARGES	(7) (1) - (6) UNUSED EXPENSE ALLOWANCE
46	13.83	27.29	3.72	1.76	1.96	8.60	10.55	16.74
47	14.58	28.23	3.73	1.77	1.96	9.09	11.05	17.17
48	15.37	29.21	3.73	1.77	1.96	9.59	11.55	17.67
49	16.22	30.27	3.74	1.77	1.97	10.08	12.05	18.22
50	17.12	31.40	3.76	1.78	1.98	10.58	12.55	18.85
51	18.09	32.61	3.76	1.78	1.98	11.07	13.05	19.56
52	19.12	33.90	3.77	1.78	1.98	11.57	13.55	20.35
53	20.22	35.27	3.78	1.79	1.99	12.06	14.05	21.22
54	21.39	36.73	3.78	1.79	1.99	12.56	14.54	22.19
55	22.63	38.29	3.79	1.80	2.00	13.05	15.05	23.24
56	23.94	39.93	4.04	1.92	2.13	13.77	15.90	24.03
57	25.34	41.67	4.06	1.92	2.13	14.49	16.62	25.05
58	26.82	43.52	4.07	1.93	2.14	15.21	17.35	26.17
59	28.41	45.51	4.08	1.93	2.15	15.93	18.08	27.43
60	30.11	47.64	4.09	1.94	2.15	16.65	18.80	28.83
61	31.93	49.91	4.10	1.94	2.16	17.42	19.58	30.33
62	33.87	52.34	4.12	1.95	2.17	18.20	20.36	31.98
63	35.94	54.92	4.13	1.96	2.17	18.97	21.14	33.78
64	38.12	57.66	4.15	1.97	2.19	19.75	21.93	35.72
65	40.45	60.00	4.18	1.98	2.20	20.52	22.72	37.28
66	42.94	60.00	4.19	1.98	2.20	21.58	23.79	36.21
67	45.59	60.00	4.21	2.00	2.22	22.50	24.72	35.28
68	48.46	60.00	4.25	2.01	2.24	22.50	24.74	35.26
69	51.56	60.00	4.28	2.03	2.25	22.50	24.75	35.25
70	54.93	60.00	4.32	2.05	2.27	22.50	24.77	35.23
71	58.57	60.00	4.36	2.06	2.29	22.50	24.79	35.21
72	62.53	60.00	4.42	2.09	2.32	22.50	24.82	35.18
73	66.78	60.00	4.48	2.12	2.36	22.50	24.86	35.14
74	71.35	60.00	4.57	2.17	2.41	22.50	24.91	35.09
75	76.31	60.00	4.68	2.22	2.46	22.50	24.96	35.04
76	81.70	60.00	4.85	2.30	2.55	22.50	25.05	34.95
77	87.56	60.00	5.10	2.42	2.68	22.50	25.18	34.82
78	93.94	60.00	5.59	2.65	2.94	22.50	25.44	34.56
79	100.84	60.00	6.96	3.30	3.66	22.50	26.16	33.84
80	108.27	60.00	8.34	3.95	4.39	22.50	26.89	33.11
81	116.26	60.00	9.71	4.60	5.11	22.50	27.61	32.39
82	124.80	60.00	11.09	5.25	5.84	22.50	28.34	31.66
83	133.98	60.00	12.46	5.90	6.56	22.50	29.06	30.94
84	143.89	60.00	13.84	6.55	7.28	22.50	29.78	30.22
85	154.53	60.00	15.20	7.20	8.00	22.50	30.50	29.50

Table 2

MALE PREFERRED NONTOBACCO

ISSUE AGE	NET LEVEL ANNUAL PREMIUM	(1) MAXIMUM FIRST YEAR EXPENSE ALLOWANCE	(2) FIRST YEAR EXPENSE CHARGE	(3) AVERAGE RENEWAL EXPENSE CHARGE	(4) (2) - (3) INITIAL ACQUIS EXPENSE CHARGE	(5) MAXIMUM SURRENDER CHARGE	(6) (4) + (5) TOTAL CHARGES	(7) (1) - (6) UNUSED EXPENSE ALLOWANCE
0	1.70	12.12	3.90	1.85	2.05	2.25	4.30	7.82
1	1.74	12.17	3.90	1.85	2.05	2.39	4.44	7.73
2	1.80	12.25	3.90	1.85	2.05	2.52	4.57	7.68
3	1.87	12.34	3.90	1.85	2.05	2.65	4.70	7.64
4	1.96	12.45	3.90	1.85	2.05	2.78	4.83	7.61
5	2.05	12.56	3.90	1.85	2.05	2.92	4.97	7.59
6	2.15	12.68	3.90	1.85	2.05	3.05	5.10	7.58
7	2.25	12.81	3.90	1.85	2.05	3.18	5.23	7.58
8	2.35	12.94	3.90	1.85	2.05	3.31	5.36	7.58
9	2.47	13.08	3.90	1.85	2.05	3.45	5.50	7.58
10	2.59	13.23	3.90	1.85	2.05	3.58	5.63	7.60
11	2.71	13.39	3.90	1.85	2.05	3.71	5.76	7.63
12	2.84	13.55	3.90	1.85	2.05	3.84	5.90	7.65
13	2.97	13.72	3.90	1.85	2.05	3.98	6.03	7.69
14	3.11	13.89	3.90	1.85	2.05	4.11	6.17	7.73
15	3.26	14.07	3.90	1.85	2.05	4.24	6.29	7.78
16	3.40	14.25	3.90	1.85	2.05	4.37	6.43	7.82
17	3.54	14.43	3.90	1.85	2.05	4.51	6.56	7.87
18	3.69	14.61	3.90	1.85	2.05	4.64	6.70	7.92
19	3.84	14.80	3.90	1.85	2.05	4.77	6.82	7.98
20	4.00	15.00	3.66	1.73	1.93	3.20	5.12	9.88
21	4.17	15.21	3.66	1.73	1.93	3.32	5.25	9.96
22	4.35	15.43	3.67	1.74	1.93	3.45	5.38	10.05
23	4.53	15.67	3.67	1.74	1.93	3.57	5.51	10.16
24	4.73	15.92	3.67	1.74	1.93	3.70	5.63	10.29
25	4.94	16.18	3.68	1.75	1.94	3.83	5.76	10.42
26	5.17	16.46	3.68	1.75	1.94	4.01	5.95	10.51
27	5.40	16.75	3.68	1.75	1.94	4.20	6.14	10.61
28	5.65	17.06	3.68	1.75	1.94	4.40	6.34	10.72
29	5.91	17.38	3.70	1.75	1.95	4.59	6.54	10.85
30	6.19	17.73	3.70	1.75	1.95	4.78	6.72	11.01
31	6.48	18.10	3.70	1.75	1.95	4.97	6.91	11.19
32	6.80	18.50	3.71	1.76	1.95	5.16	7.11	11.39
33	7.13	18.92	3.71	1.76	1.95	5.36	7.31	11.61
34	7.49	19.36	3.72	1.76	1.96	5.54	7.50	11.86
35	7.87	19.84	3.72	1.76	1.96	5.73	7.69	12.14
36	8.27	20.34	3.72	1.76	1.96	6.01	7.97	12.37
37	8.69	20.87	3.73	1.77	1.96	6.29	8.26	12.61
38	9.14	21.43	3.73	1.77	1.96	6.56	8.53	12.91
39	9.62	22.03	3.74	1.77	1.97	6.84	8.81	13.22
40	10.13	22.66	3.74	1.77	1.97	7.12	9.09	13.57
41	10.66	23.33	3.76	1.78	1.98	7.40	9.37	13.95
42	11.23	24.04	3.76	1.78	1.98	7.68	9.65	14.38
43	11.83	24.78	3.77	1.78	1.98	7.95	9.93	14.85
44	12.46	25.58	3.77	1.78	1.98	8.23	10.21	15.37
45	13.13	26.41	3.78	1.79	1.99	8.51	10.49	15.92

Table 2

MALE PREFERRED NONTOBACCO

ISSUE AGE	(1) NET LEVEL ANNUAL PREMIUM	(2) MAXIMUM FIRST YEAR EXPENSE ALLOWANCE	(3) FIRST YEAR EXPENSE CHARGE	(4) AVERAGE RENEWAL EXPENSE CHARGE	(5) (2) - (3) INITIAL ACQUIS EXPENSE CHARGE	(6) MAXIMUM SURRENDER CHARGE	(7) (4) + (5) TOTAL CHARGES	(8) (1) - (6) UNUSED EXPENSE ALLOWANCE
46	13.83	27.29	3.78	1.79	1.99	9.01	11.00	16.29
47	14.58	28.23	3.79	1.80	2.00	9.50	11.50	16.73
48	15.37	29.21	3.79	1.80	2.00	10.01	12.00	17.21
49	16.22	30.27	3.80	1.80	2.00	10.50	12.51	17.77
50	17.12	31.40	3.82	1.81	2.01	11.01	13.02	18.39
51	18.09	32.61	3.83	1.81	2.01	11.50	13.52	19.09
52	19.12	33.90	3.83	1.81	2.01	12.01	14.02	19.88
53	20.22	35.27	3.84	1.82	2.02	12.50	14.52	20.75
54	21.39	36.73	3.85	1.82	2.03	13.01	15.03	21.70
55	22.63	38.29	3.86	1.83	2.03	13.50	15.53	22.75
56	23.94	39.93	4.10	1.94	2.16	14.36	16.52	23.40
57	25.34	41.67	4.12	1.95	2.17	15.23	17.39	24.28
58	26.82	43.52	4.13	1.96	2.17	16.09	18.26	25.26
59	28.41	45.51	4.14	1.96	2.18	16.96	19.13	26.37
60	30.11	47.64	4.16	1.97	2.19	17.82	20.01	27.63
61	31.93	49.91	4.18	1.98	2.20	18.73	20.93	28.99
62	33.87	52.34	4.19	1.98	2.20	19.64	21.84	30.50
63	35.94	54.92	4.21	2.00	2.22	20.55	22.76	32.16
64	38.12	57.66	4.22	2.00	2.22	21.46	23.68	33.98
65	40.45	60.00	4.25	2.01	2.24	22.37	24.60	35.40
66	42.94	60.00	4.27	2.02	2.25	22.50	24.75	35.25
67	45.59	60.00	4.30	2.03	2.26	22.50	24.76	35.24
68	48.46	60.00	4.33	2.05	2.28	22.50	24.78	35.22
69	51.56	60.00	4.37	2.07	2.30	22.50	24.80	35.20
70	54.93	60.00	4.40	2.09	2.32	22.50	24.82	35.18
71	58.57	60.00	4.45	2.11	2.34	22.50	24.84	35.16
72	62.53	60.00	4.51	2.14	2.37	22.50	24.87	35.13
73	66.78	60.00	4.58	2.17	2.41	22.50	24.91	35.09
74	71.35	60.00	4.68	2.22	2.46	22.50	24.96	35.04
75	76.31	60.00	4.80	2.27	2.53	22.50	25.03	34.97
76	81.70	60.00	4.98	2.36	2.62	22.50	25.12	34.88
77	87.56	60.00	5.26	2.49	2.77	22.50	25.27	34.73
78	93.94	60.00	5.80	2.75	3.05	22.50	25.55	34.45
79	100.84	60.00	7.28	3.45	3.83	22.50	26.33	33.67
80	108.27	60.00	8.77	4.16	4.62	22.50	27.12	32.88
81	116.26	60.00	10.26	4.86	5.40	22.50	27.90	32.10
82	124.80	60.00	11.76	5.57	6.19	22.50	28.69	31.31
83	133.98	60.00	13.25	6.28	6.97	22.50	29.47	30.53
84	143.89	60.00	14.74	6.98	7.76	22.50	30.26	29.74
85	154.53	60.00	16.24	7.69	8.55	22.50	31.05	28.95

Table 2

MALE NONTOBACCO								
ISSUE AGE	NET LEVEL ANNUAL PREMIUM	(1) MAXIMUM FIRST YEAR EXPENSE ALLOWANCE	(2) FIRST YEAR EXPENSE CHARGE	(3) AVERAGE RENEWAL EXPENSE CHARGE	(4) (2) - (3) INITIAL ACQUIS EXPENSE CHARGE	(5) MAXIMUM SURRENDER CHARGE	(6) (4) + (5) TOTAL CHARGES	(7) (1) - (6) UNUSED EXPENSE ALLOWANCE
0	1.70	12.12	3.90	1.85	2.05	2.25	4.30	7.82
1	1.74	12.17	3.90	1.85	2.05	2.39	4.44	7.73
2	1.80	12.25	3.90	1.85	2.05	2.52	4.57	7.68
3	1.87	12.34	3.90	1.85	2.05	2.65	4.70	7.64
4	1.96	12.45	3.90	1.85	2.05	2.78	4.83	7.61
5	2.05	12.56	3.90	1.85	2.05	2.92	4.97	7.59
6	2.15	12.68	3.90	1.85	2.05	3.05	5.10	7.58
7	2.25	12.81	3.90	1.85	2.05	3.18	5.23	7.58
8	2.35	12.94	3.90	1.85	2.05	3.31	5.36	7.58
9	2.47	13.08	3.90	1.85	2.05	3.45	5.50	7.58
10	2.59	13.23	3.90	1.85	2.05	3.58	5.63	7.60
11	2.71	13.39	3.90	1.85	2.05	3.71	5.76	7.63
12	2.84	13.55	3.90	1.85	2.05	3.84	5.90	7.65
13	2.97	13.72	3.90	1.85	2.05	3.98	6.03	7.69
14	3.11	13.89	3.90	1.85	2.05	4.11	6.17	7.73
15	3.26	14.07	3.90	1.85	2.05	4.24	6.29	7.78
16	3.40	14.25	3.90	1.85	2.05	4.37	6.43	7.82
17	3.54	14.43	3.90	1.85	2.05	4.51	6.56	7.87
18	3.69	14.61	3.90	1.85	2.05	4.64	6.70	7.92
19	3.84	14.80	3.90	1.85	2.05	4.77	6.82	7.98
20	4.00	15.00	3.66	1.73	1.93	3.74	5.66	9.34
21	4.17	15.21	3.66	1.73	1.93	3.87	5.80	9.41
22	4.35	15.43	3.67	1.74	1.93	4.01	5.94	9.50
23	4.53	15.67	3.67	1.74	1.93	4.14	6.07	9.60
24	4.73	15.92	3.67	1.74	1.93	4.28	6.21	9.71
25	4.94	16.18	3.68	1.75	1.94	4.41	6.35	9.83
26	5.17	16.46	3.68	1.75	1.94	4.63	6.56	9.89
27	5.40	16.75	3.68	1.75	1.94	4.84	6.78	9.97
28	5.65	17.06	3.68	1.75	1.94	5.06	7.00	10.06
29	5.91	17.38	3.70	1.75	1.95	5.27	7.22	10.17
30	6.19	17.73	3.70	1.75	1.95	5.49	7.44	10.30
31	6.48	18.10	3.70	1.75	1.95	5.71	7.65	10.45
32	6.80	18.50	3.71	1.76	1.95	5.92	7.87	10.62
33	7.13	18.92	3.71	1.76	1.95	6.14	8.09	10.83
34	7.49	19.36	3.72	1.76	1.96	6.35	8.31	11.05
35	7.87	19.84	3.72	1.76	1.96	6.57	8.53	11.31
36	8.27	20.34	3.72	1.76	1.96	6.91	8.87	11.47
37	8.69	20.87	3.73	1.77	1.96	7.25	9.22	11.65
38	9.14	21.43	3.73	1.77	1.96	7.60	9.56	11.87
39	9.62	22.03	3.74	1.77	1.97	7.94	9.91	12.12
40	10.13	22.66	3.74	1.77	1.97	8.28	10.25	12.41
41	10.66	23.33	3.76	1.78	1.98	8.62	10.60	12.73
42	11.23	24.04	3.76	1.78	1.98	8.96	10.94	13.09
43	11.83	24.78	3.77	1.78	1.98	9.31	11.29	13.49
44	12.46	25.58	3.77	1.78	1.98	9.65	11.63	13.94
45	13.13	26.41	3.78	1.79	1.99	9.99	11.98	14.43

Table 2

MALE NONTOBACCO								
ISSUE AGE	NET LEVEL ANNUAL PREMIUM	(1) MAXIMUM FIRST YEAR EXPENSE ALLOWANCE	(2) FIRST YEAR EXPENSE CHARGE	(3) AVERAGE RENEWAL EXPENSE CHARGE	(4) (2) - (3) INITIAL ACQUIS EXPENSE CHARGE	(5) MAXIMUM SURRENDER CHARGE	(6) (4) + (5) TOTAL CHARGES	(7) (1) - (6) UNUSED EXPENSE ALLOWANCE
46	13.83	27.29	3.78	1.79	1.99	10.66	12.65	14.65
47	14.58	28.23	3.79	1.80	2.00	11.32	13.32	14.91
48	15.37	29.21	3.79	1.80	2.00	11.99	13.98	15.23
49	16.22	30.27	3.80	1.80	2.00	12.65	14.66	15.62
50	17.12	31.40	3.82	1.81	2.01	13.32	15.33	16.08
51	18.09	32.61	3.83	1.81	2.01	13.99	16.00	16.61
52	19.12	33.90	3.83	1.81	2.01	14.65	16.67	17.23
53	20.22	35.27	3.84	1.82	2.02	15.32	17.34	17.93
54	21.39	36.73	3.85	1.82	2.03	15.98	18.01	18.72
55	22.63	38.29	3.86	1.83	2.03	16.65	18.68	19.60
56	23.94	39.93	4.10	1.94	2.16	17.59	19.75	20.18
57	25.34	41.67	4.12	1.95	2.17	18.52	20.69	20.98
58	26.82	43.52	4.13	1.96	2.17	19.46	21.63	21.89
59	28.41	45.51	4.14	1.96	2.18	20.39	22.57	22.94
60	30.11	47.64	4.16	1.97	2.19	21.33	23.52	24.12
61	31.93	49.91	4.18	1.98	2.20	22.39	24.59	25.32
62	33.87	52.34	4.20	1.99	2.21	22.50	24.71	27.63
63	35.94	54.92	4.21	2.00	2.22	22.50	24.72	30.20
64	38.12	57.66	4.24	2.01	2.23	22.50	24.73	32.93
65	40.45	60.00	4.26	2.02	2.24	22.50	24.74	35.26
66	42.94	60.00	4.40	2.09	2.32	22.50	24.82	35.18
67	45.59	60.00	4.44	2.10	2.34	22.50	24.84	35.16
68	48.46	60.00	4.48	2.12	2.36	22.50	24.86	35.14
69	51.56	60.00	4.51	2.14	2.37	22.50	24.87	35.13
70	54.93	60.00	4.56	2.16	2.40	22.50	24.90	35.10
71	58.57	60.00	4.62	2.19	2.43	22.50	24.93	35.07
72	62.53	60.00	4.68	2.22	2.46	22.50	24.96	35.04
73	66.78	60.00	4.76	2.26	2.51	22.50	25.01	34.99
74	71.35	60.00	4.87	2.31	2.56	22.50	25.06	34.94
75	76.31	60.00	5.00	2.37	2.63	22.50	25.13	34.87
76	81.70	60.00	5.21	2.47	2.74	22.50	25.24	34.76
77	87.56	60.00	5.52	2.61	2.91	22.50	25.41	34.59
78	93.94	60.00	6.12	2.90	3.22	22.50	25.72	34.28
79	100.84	60.00	7.81	3.70	4.11	22.50	26.61	33.39
80	108.27	60.00	9.49	4.50	5.00	22.50	27.50	32.50
81	116.26	60.00	11.18	5.30	5.89	22.50	28.39	31.61
82	124.80	60.00	12.86	6.09	6.77	22.50	29.27	30.73
83	133.98	60.00	14.56	6.89	7.66	22.50	30.16	29.84
84	143.89	60.00	16.24	7.69	8.55	22.50	31.05	28.95
85	154.53	60.00	17.93	8.49	9.44	22.50	31.94	28.06

Table 2

MALE PREFERRED TOBACCO									
	(1)	(2)	(3)	(4)	(5)	(6)	(7)		
ISSUE	NET LEVEL	MAXIMUM	FIRST	AVERAGE	(2) + (3)	MAXIMUM	(3) + (4)	UNUSED	
AGE	ANNUAL	FIRST YEAR	YEAR	RENEWAL	INITIAL	SURRENDER	TOTAL	EXPENSE	
	PREMIUM	EXPENSE	EXPENSE	EXPENSE	EXPENSE	CHARGE	CHARGES	ALLOWANCE	
		ALLOWANCE	CHARGE	CHARGE	CHARGE				
0	2.16	12.71	3.90	1.85	2.05	2.25	4.30	8.40	
1	2.23	12.79	3.90	1.85	2.05	2.39	4.44	8.35	
2	2.32	12.90	3.90	1.85	2.05	2.52	4.57	8.33	
3	2.42	13.03	3.90	1.85	2.05	2.65	4.70	8.33	
4	2.53	13.17	3.90	1.85	2.05	2.78	4.83	8.33	
5	2.66	13.32	3.90	1.85	2.05	2.92	4.97	8.35	
6	2.79	13.49	3.90	1.85	2.05	3.05	5.10	8.38	
7	2.93	13.66	3.90	1.85	2.05	3.18	5.23	8.43	
8	3.07	13.84	3.90	1.85	2.05	3.31	5.36	8.47	
9	3.22	14.03	3.90	1.85	2.05	3.45	5.50	8.53	
10	3.38	14.23	3.90	1.85	2.05	3.58	5.63	8.59	
11	3.55	14.44	3.90	1.85	2.05	3.71	5.76	8.68	
12	3.73	14.66	3.90	1.85	2.05	3.84	5.90	8.77	
13	3.92	14.89	3.90	1.85	2.05	3.98	6.03	8.86	
14	4.11	15.14	3.90	1.85	2.05	4.11	6.17	8.97	
15	4.31	15.39	3.90	1.85	2.05	4.24	6.29	9.09	
16	4.51	15.64	3.90	1.85	2.05	4.37	6.43	9.21	
17	4.72	15.90	3.90	1.85	2.05	4.51	6.56	9.34	
18	4.94	16.17	3.90	1.85	2.05	4.64	6.70	9.47	
19	5.16	16.45	3.90	1.85	2.05	4.77	6.82	9.63	
20	5.40	16.75	3.90	1.85	2.05	4.92	6.97	10.37	
21	5.63	17.04	3.90	1.85	2.05	4.64	6.70	10.34	
22	5.88	17.35	3.90	1.85	2.05	4.97	7.02	10.33	
23	6.13	17.67	3.91	1.85	2.06	5.29	7.35	10.32	
24	6.40	18.00	3.91	1.85	2.06	5.62	7.67	10.33	
25	6.68	18.36	3.92	1.86	2.07	5.94	8.01	10.35	
26	6.98	18.72	3.92	1.86	2.07	6.23	8.29	10.43	
27	7.29	19.11	3.92	1.86	2.07	6.52	8.58	10.53	
28	7.61	19.51	3.94	1.86	2.07	6.80	8.88	10.64	
29	7.96	19.94	3.94	1.86	2.07	7.09	9.16	10.78	
30	8.32	20.40	3.95	1.87	2.08	7.38	9.46	10.94	
31	8.71	20.89	3.95	1.87	2.08	7.67	9.75	11.15	
32	9.13	21.41	3.96	1.88	2.08	7.96	10.04	11.37	
33	9.58	21.97	3.96	1.88	2.08	8.24	10.33	11.64	
34	10.05	22.56	3.96	1.88	2.08	8.53	10.62	11.95	
35	10.55	23.19	3.97	1.88	2.09	8.82	10.91	12.28	
36	11.08	23.86	3.97	1.88	2.09	9.33	11.42	12.43	
37	11.65	24.56	3.98	1.89	2.10	9.85	11.94	12.62	
38	12.25	25.31	3.98	1.89	2.10	10.36	12.46	12.86	
39	12.89	26.11	4.00	1.89	2.10	10.87	12.98	13.13	
40	13.56	26.95	4.00	1.89	2.10	11.39	13.49	13.46	
41	14.27	27.84	4.01	1.90	2.11	11.90	14.01	13.83	
42	15.02	28.78	4.01	1.90	2.11	12.41	14.52	14.25	
43	15.81	29.76	4.02	1.90	2.12	12.92	15.04	14.73	
44	16.64	30.81	4.03	1.91	2.12	13.44	15.56	15.25	
45	17.52	31.90	4.03	1.91	2.12	13.95	16.07	15.83	

Table 2

MALE PREFERRED TOBACCO								
ISSUE AGE	NET LEVEL ANNUAL PREMIUM	(1) MAXIMUM FIRST YEAR EXPENSE ALLOWANCE	(2) FIRST YEAR EXPENSE CHARGE	(3) AVERAGE RENEWAL EXPENSE CHARGE	(4) (2) + (3) INITIAL ACQUIS EXPENSE CHARGE	(5) MAXIMUM SURRENDER CHARGE	(6) (3) + (4) TOTAL CHARGES	(7) UNUSED EXPENSE ALLOWANCE
46	18.44	33.04	4.04	1.92	2.13	14.81	16.93	16.11
47	19.40	34.25	4.06	1.92	2.13	15.66	17.79	16.46
48	20.42	35.53	4.07	1.93	2.14	16.52	18.66	16.87
49	21.52	36.90	4.07	1.93	2.14	17.37	19.51	17.38
50	22.69	38.36	4.08	1.93	2.15	18.23	20.37	17.99
51	23.94	39.92	4.09	1.94	2.15	19.08	21.23	18.69
52	25.27	41.59	4.10	1.94	2.16	19.94	22.10	19.50
53	26.69	43.36	4.12	1.95	2.17	20.79	22.96	20.40
54	28.18	45.23	4.13	1.96	2.17	21.65	23.82	21.41
55	29.76	47.19	4.14	1.96	2.18	22.50	24.68	22.52
56	31.41	49.26	4.39	2.08	2.31	22.50	24.81	24.45
57	33.14	51.43	4.40	2.09	2.32	22.50	24.82	26.61
58	34.98	53.72	4.43	2.10	2.33	22.50	24.83	28.89
59	36.93	56.17	4.44	2.10	2.34	22.50	24.84	31.33
60	39.03	58.79	4.46	2.11	2.35	22.50	24.85	33.94
61	41.26	60.00	4.48	2.12	2.36	22.50	24.86	35.14
62	43.61	60.00	4.50	2.13	2.37	22.50	24.87	35.13
63	46.08	60.00	4.52	2.14	2.38	22.50	24.88	35.12
64	48.66	60.00	4.55	2.15	2.39	22.50	24.89	35.11
65	51.37	60.00	4.58	2.17	2.41	22.50	24.91	35.09
66	54.22	60.00	4.61	2.18	2.43	22.50	24.93	35.07
67	57.25	60.00	4.64	2.20	2.44	22.50	24.94	35.06
68	60.50	60.00	4.69	2.22	2.47	22.50	24.97	35.03
69	64.01	60.00	4.74	2.25	2.49	22.50	24.99	35.01
70	67.82	60.00	4.79	2.27	2.52	22.50	25.02	34.98
71	71.95	60.00	4.85	2.30	2.55	22.50	25.05	34.95
72	76.43	60.00	4.93	2.34	2.60	22.50	25.10	34.90
73	81.20	60.00	5.03	2.38	2.65	22.50	25.15	34.85
74	86.32	60.00	5.15	2.44	2.71	22.50	25.21	34.79
75	91.88	60.00	5.32	2.52	2.80	22.50	25.30	34.70
76	97.89	60.00	5.54	2.63	2.92	22.50	25.42	34.58
77	104.41	60.00	5.92	2.80	3.11	22.50	25.61	34.39
78	111.47	60.00	6.62	3.14	3.49	22.50	25.99	34.01
79	119.04	60.00	8.60	4.08	4.53	22.50	27.03	32.97
80	127.11	60.00	10.57	5.01	5.56	22.50	28.06	31.94
81	135.73	60.00	12.55	5.95	6.61	22.50	29.11	30.89
82	144.84	60.00	14.53	6.88	7.65	22.50	30.15	29.85
83	154.60	60.00	16.51	7.82	8.69	22.50	31.19	28.81
84	165.12	60.00	18.49	8.76	9.73	22.50	32.23	27.77
85	176.46	60.00	20.46	9.69	10.77	22.50	33.27	26.73

Table 2

MALE TOBACCO

ISSUE AGE	NET LEVEL ANNUAL PREMIUM	(1) MAXIMUM FIRST YEAR EXPENSE ALLOWANCE	(2) FIRST YEAR EXPENSE CHARGE	(3) AVERAGE RENEWAL EXPENSE CHARGE	(4) (2) + (3) INITIAL ACQUIS EXPENSE CHARGE	(5) MAXIMUM SURRENDER CHARGE	(6) (3) + (4) TOTAL CHARGES	(7) UNUSED EXPENSE ALLOWANCE
0	2.16	12.71	3.90	1.85	2.05	2.25	4.30	8.40
1	2.23	12.79	3.90	1.85	2.05	2.39	4.44	8.35
2	2.32	12.90	3.90	1.85	2.05	2.52	4.57	8.33
3	2.42	13.03	3.90	1.85	2.05	2.65	4.70	8.33
4	2.53	13.17	3.90	1.85	2.05	2.78	4.83	8.33
5	2.66	13.32	3.90	1.85	2.05	2.92	4.97	8.35
6	2.79	13.49	3.90	1.85	2.05	3.05	5.10	8.38
7	2.93	13.66	3.90	1.85	2.05	3.18	5.23	8.43
8	3.07	13.84	3.90	1.85	2.05	3.31	5.36	8.47
9	3.22	14.03	3.90	1.85	2.05	3.45	5.50	8.53
10	3.38	14.23	3.90	1.85	2.05	3.58	5.63	8.59
11	3.55	14.44	3.90	1.85	2.05	3.71	5.76	8.68
12	3.73	14.66	3.90	1.85	2.05	3.84	5.90	8.77
13	3.92	14.89	3.90	1.85	2.05	3.98	6.03	8.86
14	4.11	15.14	3.90	1.85	2.05	4.11	6.17	8.97
15	4.31	15.39	3.90	1.85	2.05	4.24	6.29	9.09
16	4.51	15.64	3.90	1.85	2.05	4.37	6.43	9.21
17	4.72	15.90	3.90	1.85	2.05	4.51	6.56	9.34
18	4.94	16.17	3.90	1.85	2.05	4.64	6.70	9.47
19	5.16	16.45	3.90	1.85	2.05	4.77	6.82	9.63
20	5.40	16.75	3.90	1.85	2.05	4.91	6.96	9.79
21	5.63	17.04	3.90	1.85	2.05	5.20	7.25	9.78
22	5.88	17.35	3.90	1.85	2.05	5.50	7.55	9.79
23	6.13	17.67	3.91	1.85	2.06	5.80	7.85	9.81
24	6.40	18.00	3.91	1.85	2.06	6.09	8.15	9.85
25	6.68	18.36	3.92	1.86	2.07	6.39	8.46	9.90
26	6.98	18.72	3.92	1.86	2.07	6.74	8.81	9.92
27	7.29	19.11	3.92	1.86	2.07	7.09	9.16	9.95
28	7.61	19.51	3.94	1.86	2.07	7.44	9.51	10.00
29	7.96	19.94	3.94	1.86	2.07	7.79	9.87	10.08
30	8.32	20.40	3.95	1.87	2.08	8.15	10.22	10.18
31	8.71	20.89	3.95	1.87	2.08	8.50	10.57	10.32
32	9.13	21.41	3.96	1.88	2.08	8.85	10.93	10.48
33	9.58	21.97	3.96	1.88	2.08	9.20	11.28	10.69
34	10.05	22.56	3.97	1.88	2.09	9.55	11.64	10.92
35	10.55	23.19	3.97	1.88	2.09	9.90	11.99	11.20
36	11.08	23.86	3.98	1.89	2.10	10.53	12.63	11.23
37	11.65	24.56	3.98	1.89	2.10	11.16	13.26	11.31
38	12.25	25.31	4.00	1.89	2.10	11.79	13.89	11.42
39	12.89	26.11	4.00	1.89	2.10	12.42	14.52	11.58
40	13.56	26.95	4.01	1.90	2.11	13.05	15.16	11.79
41	14.27	27.84	4.02	1.90	2.12	13.68	15.80	12.04
42	15.02	28.78	4.02	1.90	2.12	14.31	16.43	12.35
43	15.81	29.76	4.03	1.91	2.12	14.94	17.06	12.70
44	16.64	30.81	4.04	1.92	2.13	15.57	17.70	13.11
45	17.52	31.90	4.04	1.92	2.13	16.20	18.33	13.57

Table 2

MALE TOBACCO

ISSUE AGE	NET LEVEL ANNUAL PREMIUM	(1) MAXIMUM FIRST YEAR EXPENSE ALLOWANCE	(2) FIRST YEAR EXPENSE CHARGE	(3) AVERAGE RENEWAL EXPENSE CHARGE	(4) (2) + (3) INITIAL ACQUIS EXPENSE CHARGE	(5) MAXIMUM SURRENDER CHARGE	(6) (3) + (4) TOTAL CHARGES	(7) UNUSED EXPENSE ALLOWANCE
46	18.44	33.04	4.06	1.92	2.13	17.19	19.32	13.72
47	19.40	34.25	4.07	1.93	2.14	18.18	20.32	13.93
48	20.42	35.53	4.08	1.93	2.15	19.17	21.32	14.21
49	21.52	36.90	4.09	1.94	2.15	20.16	22.31	14.58
50	22.69	38.36	4.10	1.94	2.16	21.15	23.31	15.05
51	23.94	39.92	4.10	1.94	2.16	22.14	24.30	15.62
52	25.27	41.59	4.13	1.96	2.17	22.50	24.67	16.92
53	26.69	43.36	4.14	1.96	2.18	22.50	24.68	18.68
54	28.18	45.23	4.15	1.97	2.19	22.50	24.69	20.54
55	29.76	47.19	4.16	1.97	2.19	22.50	24.69	22.50
56	31.41	49.26	4.54	2.15	2.39	22.50	24.89	24.37
57	33.14	51.43	4.56	2.16	2.40	22.50	24.90	26.53
58	34.98	53.72	4.57	2.17	2.41	22.50	24.91	28.81
59	36.93	56.17	4.60	2.18	2.42	22.50	24.92	31.25
60	39.03	58.79	4.62	2.19	2.43	22.50	24.93	33.85
61	41.26	60.00	4.63	2.19	2.44	22.50	24.94	35.06
62	43.61	60.00	4.66	2.21	2.45	22.50	24.95	35.05
63	46.08	60.00	4.69	2.22	2.47	22.50	24.97	35.03
64	48.66	60.00	4.72	2.23	2.48	22.50	24.98	35.02
65	51.37	60.00	4.75	2.25	2.50	22.50	25.00	35.00
66	54.22	60.00	4.79	2.27	2.52	22.50	25.02	34.98
67	57.25	60.00	4.82	2.29	2.54	22.50	25.04	34.96
68	60.50	60.00	4.87	2.31	2.56	22.50	25.06	34.94
69	64.01	60.00	4.92	2.33	2.59	22.50	25.09	34.91
70	67.82	60.00	4.98	2.36	2.62	22.50	25.12	34.88
71	71.95	60.00	5.05	2.39	2.66	22.50	25.16	34.84
72	76.43	60.00	5.15	2.44	2.71	22.50	25.21	34.79
73	81.20	60.00	5.26	2.49	2.77	22.50	25.27	34.73
74	86.32	60.00	5.39	2.55	2.84	22.50	25.34	34.66
75	91.88	60.00	5.58	2.64	2.94	22.50	25.44	34.56
76	97.89	60.00	5.84	2.77	3.08	22.50	25.58	34.42
77	104.41	60.00	6.25	2.96	3.29	22.50	25.79	34.21
78	111.47	60.00	7.04	3.34	3.71	22.50	26.21	33.79
79	119.04	60.00	9.28	4.39	4.88	22.50	27.38	32.62
80	127.11	60.00	11.51	5.45	6.06	22.50	28.56	31.44
81	135.73	60.00	13.73	6.50	7.23	22.50	29.73	30.27
82	144.84	60.00	15.96	7.56	8.40	22.50	30.90	29.10
83	154.60	60.00	18.18	8.61	9.57	22.50	32.07	27.93
84	165.12	60.00	20.41	9.67	10.74	22.50	33.24	26.76
85	176.46	60.00	22.64	10.73	11.92	22.50	34.42	25.58

Table 2

FEMALE PREFERRED PLUS NONTABACCO

		(1)	(2)	(3)	(4)	(5)	(6)	(7)
		MAXIMUM	FIRST	AVERAGE	(2) + (3)		(4) + (5)	(1) - (6)
ISSUE	NET LEVEL	FIRST YEAR	FIRST	RENEWAL	INITIAL	MAXIMUM	TOTAL	UNUSED
AGE	ANNUAL	EXPENSE	YEAR	EXPENSE	ACQUIS	SURRENDER	CHARGES	EXPENSE
	PREMIUM	ALLOWANCE	EXPENSE	CHARGE	EXPENSE	CHARGE		ALLOWANCE
0	1.36	11.70	3.67	1.74	1.93	1.80	3.73	7.96
1	1.40	11.75	3.67	1.74	1.93	1.93	3.86	7.89
2	1.46	11.82	3.67	1.74	1.93	2.04	3.98	7.85
3	1.52	11.90	3.67	1.74	1.93	2.17	4.10	7.80
4	1.59	11.99	3.67	1.74	1.93	2.29	4.22	7.77
5	1.66	12.08	3.67	1.74	1.93	2.41	4.34	7.73
6	1.74	12.17	3.67	1.74	1.93	2.53	4.46	7.71
7	1.82	12.28	3.67	1.74	1.93	2.66	4.59	7.69
8	1.90	12.38	3.67	1.74	1.93	2.77	4.70	7.68
9	1.99	12.49	3.67	1.74	1.93	2.90	4.83	7.66
10	2.09	12.61	3.67	1.74	1.93	3.02	4.95	7.66
11	2.19	12.73	3.67	1.74	1.93	3.14	5.07	7.66
12	2.29	12.86	3.67	1.74	1.93	3.26	5.19	7.67
13	2.40	12.99	3.67	1.74	1.93	3.38	5.32	7.68
14	2.51	13.13	3.67	1.74	1.93	3.50	5.43	7.70
15	2.62	13.28	3.67	1.74	1.93	3.63	5.56	7.72
16	2.74	13.43	3.67	1.74	1.93	3.74	5.68	7.75
17	2.87	13.59	3.67	1.74	1.93	3.87	5.80	7.78
18	3.00	13.75	3.67	1.74	1.93	3.99	5.92	7.83
19	3.14	13.92	3.67	1.74	1.93	4.11	6.05	7.88
20	3.28	14.10	3.52	1.67	1.85	2.39	4.24	9.87
21	3.44	14.30	3.52	1.67	1.85	2.48	4.33	9.96
22	3.60	14.50	3.52	1.67	1.85	2.58	4.43	10.06
23	3.77	14.71	3.52	1.67	1.85	2.68	4.53	10.18
24	3.95	14.93	3.53	1.67	1.86	2.78	4.64	10.30
25	4.14	15.17	3.53	1.67	1.86	2.88	4.74	10.43
26	4.33	15.42	3.53	1.67	1.86	3.03	4.89	10.53
27	4.54	15.68	3.53	1.67	1.86	3.19	5.04	10.64
28	4.76	15.96	3.53	1.67	1.86	3.34	5.20	10.76
29	5.00	16.25	3.54	1.68	1.86	3.49	5.36	10.89
30	5.24	16.55	3.54	1.68	1.86	3.65	5.51	11.04
31	5.50	16.88	3.54	1.68	1.86	3.80	5.66	11.22
32	5.77	17.22	3.54	1.68	1.86	3.95	5.81	11.40
33	6.06	17.58	3.54	1.68	1.86	4.10	5.97	11.61
34	6.36	17.95	3.55	1.68	1.87	4.26	6.13	11.83
35	6.68	18.35	3.55	1.68	1.87	4.41	6.28	12.07
36	7.02	18.77	3.55	1.68	1.87	4.63	6.50	12.28
37	7.37	19.21	3.55	1.68	1.87	4.84	6.71	12.50
38	7.74	19.68	3.56	1.69	1.88	5.05	6.92	12.75
39	8.14	20.17	3.56	1.69	1.88	5.27	7.14	13.03
40	8.55	20.69	3.56	1.69	1.88	5.48	7.36	13.33
41	8.99	21.24	3.58	1.69	1.88	5.70	7.58	13.66
42	9.46	21.83	3.58	1.69	1.88	5.91	7.80	14.03
43	9.96	22.44	3.58	1.69	1.88	6.12	8.00	14.44
44	10.48	23.10	3.59	1.70	1.89	6.34	8.22	14.87
45	11.03	23.79	3.59	1.70	1.89	6.55	8.44	15.35

Table 2

FEMALE PREFERRED PLUS NONTABACCO

ISSUE AGE	(1) NET LEVEL ANNUAL PREMIUM	(2) MAXIMUM FIRST YEAR EXPENSE ALLOWANCE	(3) FIRST YEAR EXPENSE CHARGE	(4) AVERAGE RENEWAL EXPENSE CHARGE	(5) (2) + (3) INITIAL ACQUIS EXPENSE CHARGE	(6) MAXIMUM SURRENDER CHARGE	(7) (4) + (5) TOTAL CHARGES	(8) (1) - (6) UNUSED EXPENSE ALLOWANCE
46	11.62	24.52	3.59	1.70	1.89	6.93	8.82	15.71
47	12.24	25.30	3.60	1.71	1.89	7.31	9.20	16.10
48	12.89	26.12	3.60	1.71	1.89	7.70	9.59	16.53
49	13.58	26.98	3.61	1.71	1.90	8.07	9.97	17.00
50	14.31	27.89	3.61	1.71	1.90	8.45	10.35	17.54
51	15.08	28.85	3.62	1.72	1.91	8.83	10.74	18.11
52	15.89	29.86	3.62	1.72	1.91	9.21	11.11	18.75
53	16.74	30.93	3.64	1.72	1.91	9.59	11.51	19.42
54	17.64	32.05	3.64	1.72	1.91	9.97	11.89	20.17
55	18.59	33.24	3.65	1.73	1.92	10.35	12.27	20.97
56	19.59	34.49	3.90	1.85	2.05	10.89	12.94	21.55
57	20.65	35.81	3.90	1.85	2.05	11.43	13.48	22.33
58	21.76	37.20	3.91	1.85	2.06	11.97	14.03	23.17
59	22.94	38.68	3.92	1.86	2.07	12.51	14.58	24.10
60	24.19	40.24	3.94	1.86	2.07	13.05	15.12	25.11
61	25.51	41.89	3.95	1.87	2.08	13.82	15.89	26.00
62	26.92	43.65	3.96	1.88	2.08	14.58	16.66	26.99
63	28.42	45.53	3.97	1.88	2.09	15.35	17.44	28.09
64	30.02	47.53	3.98	1.89	2.10	16.11	18.21	29.32
65	31.73	49.66	4.00	1.89	2.10	16.88	18.98	30.69
66	33.56	51.95	4.02	1.90	2.12	18.05	20.17	31.78
67	35.51	54.39	4.04	1.92	2.13	19.23	21.36	33.03
68	37.61	57.01	4.07	1.93	2.14	20.41	22.55	34.46
69	39.85	59.82	4.09	1.94	2.15	21.59	23.74	36.07
70	42.26	60.00	4.12	1.95	2.17	22.50	24.67	35.33
71	44.85	60.00	4.15	1.97	2.19	22.50	24.69	35.31
72	47.63	60.00	4.20	1.99	2.21	22.50	24.71	35.29
73	50.62	60.00	4.26	2.02	2.24	22.50	24.74	35.26
74	53.83	60.00	4.32	2.05	2.27	22.50	24.77	35.23
75	57.29	60.00	4.42	2.09	2.32	22.50	24.82	35.18
76	61.02	60.00	4.55	2.15	2.39	22.50	24.89	35.11
77	65.06	60.00	4.76	2.26	2.51	22.50	25.01	34.99
78	69.43	60.00	5.16	2.44	2.72	22.50	25.22	34.78
79	74.18	60.00	6.29	2.98	3.31	22.50	25.81	34.19
80	79.34	60.00	7.42	3.51	3.90	22.50	26.40	33.60
81	84.98	60.00	8.53	4.04	4.49	22.50	26.99	33.01
82	91.02	60.00	9.66	4.58	5.08	22.50	27.58	32.42
83	97.45	60.00	10.79	5.11	5.68	22.50	28.18	31.82
84	104.37	60.00	11.90	5.64	6.27	22.50	28.77	31.23
85	111.81	60.00	13.03	6.17	6.86	22.50	29.36	30.64

Table 2

FEMALE PREFERRED NONTOBACCO

ISSUE AGE	(1) NET LEVEL ANNUAL PREMIUM	(2) MAXIMUM FIRST YEAR EXPENSE ALLOWANCE	(3) FIRST YEAR EXPENSE CHARGE	(4) AVERAGE RENEWAL EXPENSE CHARGE	(5) (2) + (3) INITIAL ACQUIS EXPENSE CHARGE	(6) MAXIMUM SURRENDER CHARGE	(7) (4) + (5) TOTAL CHARGES	(8) (1) - (6) UNUSED EXPENSE ALLOWANCE
0	1.36	11.70	3.67	1.74	1.93	1.80	3.73	7.96
1	1.40	11.75	3.67	1.74	1.93	1.93	3.86	7.89
2	1.46	11.82	3.67	1.74	1.93	2.04	3.98	7.85
3	1.52	11.90	3.67	1.74	1.93	2.17	4.10	7.80
4	1.59	11.99	3.67	1.74	1.93	2.29	4.22	7.77
5	1.66	12.08	3.67	1.74	1.93	2.41	4.34	7.73
6	1.74	12.17	3.67	1.74	1.93	2.53	4.46	7.71
7	1.82	12.28	3.67	1.74	1.93	2.66	4.59	7.69
8	1.90	12.38	3.67	1.74	1.93	2.77	4.70	7.68
9	1.99	12.49	3.67	1.74	1.93	2.90	4.83	7.66
10	2.09	12.61	3.67	1.74	1.93	3.02	4.95	7.66
11	2.19	12.73	3.67	1.74	1.93	3.14	5.07	7.66
12	2.29	12.86	3.67	1.74	1.93	3.26	5.19	7.67
13	2.40	12.99	3.67	1.74	1.93	3.38	5.32	7.68
14	2.51	13.13	3.67	1.74	1.93	3.50	5.43	7.70
15	2.62	13.28	3.67	1.74	1.93	3.63	5.56	7.72
16	2.74	13.43	3.67	1.74	1.93	3.74	5.68	7.75
17	2.87	13.59	3.67	1.74	1.93	3.87	5.80	7.78
18	3.00	13.75	3.67	1.74	1.93	3.99	5.92	7.83
19	3.14	13.92	3.67	1.74	1.93	4.11	6.05	7.88
20	3.28	14.10	3.53	1.67	1.86	2.70	4.56	9.55
21	3.44	14.30	3.53	1.67	1.86	2.81	4.66	9.63
22	3.60	14.50	3.53	1.67	1.86	2.92	4.77	9.72
23	3.77	14.71	3.53	1.67	1.86	3.02	4.88	9.83
24	3.95	14.93	3.53	1.67	1.86	3.13	4.99	9.94
25	4.14	15.17	3.54	1.68	1.86	3.24	5.10	10.07
26	4.33	15.42	3.54	1.68	1.86	3.38	5.24	10.18
27	4.54	15.68	3.54	1.68	1.86	3.51	5.37	10.31
28	4.76	15.96	3.54	1.68	1.86	3.65	5.51	10.45
29	5.00	16.25	3.54	1.68	1.86	3.78	5.64	10.60
30	5.24	16.55	3.55	1.68	1.87	3.92	5.78	10.77
31	5.50	16.88	3.55	1.68	1.87	4.05	5.92	10.96
32	5.77	17.22	3.55	1.68	1.87	4.19	6.05	11.16
33	6.06	17.58	3.55	1.68	1.87	4.32	6.19	11.39
34	6.36	17.95	3.56	1.69	1.88	4.46	6.33	11.62
35	6.68	18.35	3.56	1.69	1.88	4.59	6.47	11.89
36	7.02	18.77	3.56	1.69	1.88	4.82	6.70	12.07
37	7.37	19.21	3.56	1.69	1.88	5.06	6.93	12.28
38	7.74	19.68	3.58	1.69	1.88	5.29	7.17	12.50
39	8.14	20.17	3.58	1.69	1.88	5.53	7.41	12.76
40	8.55	20.69	3.58	1.69	1.88	5.76	7.64	13.05
41	8.99	21.24	3.59	1.70	1.89	5.99	7.88	13.36
42	9.46	21.83	3.59	1.70	1.89	6.23	8.12	13.71
43	9.96	22.44	3.59	1.70	1.89	6.46	8.35	14.09
44	10.48	23.10	3.60	1.71	1.89	6.70	8.59	14.51
45	11.03	23.79	3.60	1.71	1.89	6.93	8.82	14.97

Table 2

FEMALE PREFERRED NONTABACCO

ISSUE AGE	(1) NET LEVEL ANNUAL PREMIUM	(2) MAXIMUM FIRST YEAR EXPENSE ALLOWANCE	(3) FIRST YEAR EXPENSE CHARGE	(4) AVERAGE RENEWAL EXPENSE CHARGE	(5) (2) + (3) INITIAL ACQUIS EXPENSE CHARGE	(6) MAXIMUM SURRENDER CHARGE	(7) (4) + (5) TOTAL CHARGES	(8) (1) - (6) UNUSED EXPENSE ALLOWANCE
46	11.62	24.52	3.60	1.71	1.89	7.32	9.21	15.31
47	12.24	25.30	3.61	1.71	1.90	7.70	9.61	15.69
48	12.89	26.12	3.61	1.71	1.90	8.09	9.99	16.12
49	13.58	26.98	3.62	1.72	1.91	8.48	10.39	16.59
50	14.31	27.89	3.62	1.72	1.91	8.87	10.77	17.12
51	15.08	28.85	3.64	1.72	1.91	9.25	11.17	17.68
52	15.89	29.86	3.64	1.72	1.91	9.64	11.55	18.31
53	16.74	30.93	3.65	1.73	1.92	10.03	11.95	18.98
54	17.64	32.05	3.65	1.73	1.92	10.41	12.33	19.72
55	18.59	33.24	3.66	1.73	1.93	10.80	12.73	20.51
56	19.59	34.49	3.91	1.85	2.06	11.43	13.49	21.00
57	20.65	35.81	3.91	1.85	2.06	12.06	14.12	21.69
58	21.76	37.20	3.92	1.86	2.07	12.69	14.76	22.45
59	22.94	38.68	3.94	1.86	2.07	13.32	15.39	23.28
60	24.19	40.24	3.95	1.87	2.08	13.95	16.03	24.21
61	25.51	41.89	3.96	1.88	2.08	14.71	16.79	25.10
62	26.92	43.65	3.97	1.88	2.09	15.46	17.55	26.10
63	28.42	45.53	3.98	1.89	2.10	16.22	18.31	27.21
64	30.02	47.53	4.00	1.89	2.10	16.97	19.08	28.45
65	31.73	49.66	4.02	1.90	2.12	17.73	19.85	29.82
66	33.56	51.95	4.03	1.91	2.12	18.94	21.06	30.89
67	35.51	54.39	4.06	1.92	2.13	20.14	22.28	32.11
68	37.61	57.01	4.08	1.93	2.15	21.35	23.50	33.51
69	39.85	59.82	4.10	1.94	2.16	22.50	24.66	35.16
70	42.26	60.00	4.14	1.96	2.18	22.50	24.68	35.32
71	44.85	60.00	4.18	1.98	2.20	22.50	24.70	35.30
72	47.63	60.00	4.22	2.00	2.22	22.50	24.72	35.28
73	50.62	60.00	4.27	2.02	2.25	22.50	24.75	35.25
74	53.83	60.00	4.34	2.06	2.29	22.50	24.79	35.21
75	57.29	60.00	4.44	2.10	2.34	22.50	24.84	35.16
76	61.02	60.00	4.57	2.17	2.41	22.50	24.91	35.09
77	65.06	60.00	4.79	2.27	2.52	22.50	25.02	34.98
78	69.43	60.00	5.20	2.46	2.73	22.50	25.23	34.77
79	74.18	60.00	6.35	3.01	3.34	22.50	25.84	34.16
80	79.34	60.00	7.49	3.55	3.94	22.50	26.44	33.56
81	84.98	60.00	8.63	4.09	4.54	22.50	27.04	32.96
82	91.02	60.00	9.78	4.63	5.15	22.50	27.65	32.35
83	97.45	60.00	10.92	5.17	5.75	22.50	28.25	31.75
84	104.37	60.00	12.07	5.72	6.35	22.50	28.85	31.15
85	111.81	60.00	13.21	6.26	6.95	22.50	29.45	30.55

Table 2

FEMALE NONTABACCO		(1)	(2)	(3)	(4)	(5)	(6)	(7)
ISSUE AGE	NET LEVEL ANNUAL PREMIUM	MAXIMUM FIRST YEAR EXPENSE ALLOWANCE	FIRST YEAR EXPENSE CHARGE	AVERAGE RENEWAL EXPENSE CHARGE	(2) + (3) INITIAL ACQUIS EXPENSE CHARGE	MAXIMUM SURRENDER CHARGE	(4) + (5) TOTAL CHARGES	(1) - (6) UNUSED EXPENSE ALLOWANCE
0	1.36	11.70	3.67	1.74	1.93	1.80	3.73	7.96
1	1.40	11.75	3.67	1.74	1.93	1.93	3.86	7.89
2	1.46	11.82	3.67	1.74	1.93	2.04	3.98	7.85
3	1.52	11.90	3.67	1.74	1.93	2.17	4.10	7.80
4	1.59	11.99	3.67	1.74	1.93	2.29	4.22	7.77
5	1.66	12.08	3.67	1.74	1.93	2.41	4.34	7.73
6	1.74	12.17	3.67	1.74	1.93	2.53	4.46	7.71
7	1.82	12.28	3.67	1.74	1.93	2.66	4.59	7.69
8	1.90	12.38	3.67	1.74	1.93	2.77	4.70	7.68
9	1.99	12.49	3.67	1.74	1.93	2.90	4.83	7.66
10	2.09	12.61	3.67	1.74	1.93	3.02	4.95	7.66
11	2.19	12.73	3.67	1.74	1.93	3.14	5.07	7.66
12	2.29	12.86	3.67	1.74	1.93	3.26	5.19	7.67
13	2.40	12.99	3.67	1.74	1.93	3.38	5.32	7.68
14	2.51	13.13	3.67	1.74	1.93	3.50	5.43	7.70
15	2.62	13.28	3.67	1.74	1.93	3.63	5.56	7.72
16	2.74	13.43	3.67	1.74	1.93	3.74	5.68	7.75
17	2.87	13.59	3.67	1.74	1.93	3.87	5.80	7.78
18	3.00	13.75	3.67	1.74	1.93	3.99	5.92	7.83
19	3.14	13.92	3.67	1.74	1.93	4.11	6.05	7.88
20	3.28	14.10	3.54	1.68	1.86	3.02	4.88	9.23
21	3.44	14.30	3.54	1.68	1.86	3.19	5.05	9.25
22	3.60	14.50	3.55	1.68	1.87	3.36	5.23	9.27
23	3.77	14.71	3.55	1.68	1.87	3.53	5.40	9.31
24	3.95	14.93	3.55	1.68	1.87	3.70	5.57	9.36
25	4.14	15.17	3.55	1.68	1.87	3.87	5.74	9.43
26	4.33	15.42	3.55	1.68	1.87	4.02	5.89	9.53
27	4.54	15.68	3.56	1.69	1.88	4.18	6.05	9.63
28	4.76	15.96	3.56	1.69	1.88	4.33	6.20	9.75
29	5.00	16.25	3.56	1.69	1.88	4.48	6.36	9.89
30	5.24	16.55	3.56	1.69	1.88	4.64	6.51	10.04
31	5.50	16.88	3.56	1.69	1.88	4.79	6.66	10.21
32	5.77	17.22	3.58	1.69	1.88	4.94	6.82	10.39
33	6.06	17.58	3.58	1.69	1.88	5.09	6.98	10.60
34	6.36	17.95	3.58	1.69	1.88	5.25	7.13	10.82
35	6.68	18.35	3.59	1.70	1.89	5.40	7.29	11.06
36	7.02	18.77	3.59	1.70	1.89	5.69	7.58	11.19
37	7.37	19.21	3.59	1.70	1.89	5.98	7.86	11.35
38	7.74	19.68	3.59	1.70	1.89	6.26	8.15	11.52
39	8.14	20.17	3.60	1.71	1.89	6.55	8.45	11.72
40	8.55	20.69	3.60	1.71	1.89	6.84	8.73	11.96
41	8.99	21.24	3.60	1.71	1.89	7.13	9.02	12.22
42	9.46	21.83	3.61	1.71	1.90	7.42	9.32	12.51
43	9.96	22.44	3.61	1.71	1.90	7.70	9.61	12.84
44	10.48	23.10	3.61	1.71	1.90	7.99	9.89	13.21
45	11.03	23.79	3.62	1.72	1.91	8.28	10.19	13.60

Table 2

FEMALE NONTObACCO		(1)	(2)	(3)	(4)	(5)	(6)	(7)
ISSUE	NET LEVEL	MAXIMUM	FIRST	AVERAGE	(2) + (3)	MAXIMUM	(4) + (5)	(1) - (6)
AGE	ANNUAL	FIRST YEAR	YEAR	RENEWAL	INITIAL	SURRENDER	TOTAL	UNUSED
	PREMIUM	EXPENSE	EXPENSE	EXPENSE	ACQUIS	CHARGE	CHARGES	EXPENSE
		ALLOWANCE	CHARGE	CHARGE	EXPENSE			ALLOWANCE
46	11.62	24.52	3.62	1.72	1.91	8.76	10.66	13.86
47	12.24	25.30	3.64	1.72	1.91	9.23	11.15	14.15
48	12.89	26.12	3.64	1.72	1.91	9.71	11.62	14.49
49	13.58	26.98	3.65	1.73	1.92	10.19	12.11	14.87
50	14.31	27.89	3.65	1.73	1.92	10.67	12.59	15.30
51	15.08	28.85	3.66	1.73	1.93	11.14	13.07	15.78
52	15.89	29.86	3.66	1.73	1.93	11.62	13.55	16.32
53	16.74	30.93	3.67	1.74	1.93	12.10	14.03	16.90
54	17.64	32.05	3.67	1.74	1.93	12.57	14.51	17.55
55	18.59	33.24	3.68	1.75	1.94	13.05	14.99	18.25
56	19.59	34.49	3.94	1.86	2.07	13.83	15.90	18.59
57	20.65	35.81	3.94	1.86	2.07	14.63	16.70	19.11
58	21.76	37.20	3.95	1.87	2.08	15.41	17.49	19.72
59	22.94	38.68	3.96	1.88	2.08	16.20	18.28	20.39
60	24.19	40.24	3.97	1.88	2.09	16.98	19.07	21.16
61	25.51	41.89	3.98	1.89	2.10	17.84	19.93	21.96
62	26.92	43.65	4.00	1.89	2.10	18.68	20.79	22.87
63	28.42	45.53	4.01	1.90	2.11	19.54	21.65	23.88
64	30.02	47.53	4.03	1.91	2.12	20.39	22.51	25.02
65	31.73	49.66	4.04	1.92	2.13	21.24	23.37	26.30
66	33.56	51.95	4.07	1.93	2.14	22.50	24.64	27.31
67	35.51	54.39	4.08	1.93	2.15	22.50	24.65	29.74
68	37.61	57.01	4.10	1.94	2.16	22.50	24.66	32.35
69	39.85	59.82	4.14	1.96	2.18	22.50	24.68	35.14
70	42.26	60.00	4.16	1.97	2.19	22.50	24.69	35.31
71	44.85	60.00	4.21	2.00	2.22	22.50	24.72	35.28
72	47.63	60.00	4.26	2.02	2.24	22.50	24.74	35.26
73	50.62	60.00	4.31	2.04	2.27	22.50	24.77	35.23
74	53.83	60.00	4.38	2.07	2.31	22.50	24.81	35.19
75	57.29	60.00	4.49	2.13	2.36	22.50	24.86	35.14
76	61.02	60.00	4.62	2.19	2.43	22.50	24.93	35.07
77	65.06	60.00	4.85	2.30	2.55	22.50	25.05	34.95
78	69.43	60.00	5.27	2.50	2.77	22.50	25.27	34.73
79	74.18	60.00	6.46	3.06	3.40	22.50	25.90	34.10
80	79.34	60.00	7.64	3.62	4.02	22.50	26.52	33.48
81	84.98	60.00	8.83	4.18	4.65	22.50	27.15	32.85
82	91.02	60.00	10.02	4.75	5.27	22.50	27.77	32.23
83	97.45	60.00	11.20	5.30	5.89	22.50	28.39	31.61
84	104.37	60.00	12.38	5.87	6.52	22.50	29.02	30.98
85	111.81	60.00	13.57	6.43	7.14	22.50	29.64	30.36

Table 2

FEMALE PREFERRED TOBACCO

ISSUE AGE	(1) NET LEVEL ANNUAL PREMIUM	(2) MAXIMUM FIRST YEAR EXPENSE ALLOWANCE	(3) FIRST YEAR EXPENSE CHARGE	(4) AVERAGE RENEWAL EXPENSE CHARGE	(5) (2) + (3) INITIAL ACQUIS EXPENSE CHARGE	(6) MAXIMUM SURRENDER CHARGE	(7) (4) + (5) TOTAL CHARGES	(8) (1) - (6) UNUSED EXPENSE ALLOWANCE
0	1.76	12.20	3.67	1.74	1.93	1.80	3.73	8.46
1	1.82	12.28	3.67	1.74	1.93	1.93	3.86	8.42
2	1.90	12.38	3.67	1.74	1.93	2.04	3.98	8.40
3	1.99	12.49	3.67	1.74	1.93	2.17	4.10	8.38
4	2.08	12.60	3.67	1.74	1.93	2.29	4.22	8.38
5	2.18	12.73	3.67	1.74	1.93	2.41	4.34	8.38
6	2.29	12.86	3.67	1.74	1.93	2.53	4.46	8.40
7	2.40	13.00	3.67	1.74	1.93	2.66	4.59	8.41
8	2.51	13.14	3.67	1.74	1.93	2.77	4.70	8.44
9	2.64	13.29	3.67	1.74	1.93	2.90	4.83	8.46
10	2.76	13.46	3.67	1.74	1.93	3.02	4.95	8.51
11	2.90	13.63	3.67	1.74	1.93	3.14	5.07	8.55
12	3.04	13.80	3.67	1.74	1.93	3.26	5.19	8.61
13	3.19	13.99	3.67	1.74	1.93	3.38	5.32	8.67
14	3.35	14.18	3.67	1.74	1.93	3.50	5.43	8.75
15	3.51	14.39	3.67	1.74	1.93	3.63	5.56	8.83
16	3.68	14.60	3.67	1.74	1.93	3.74	5.68	8.93
17	3.86	14.83	3.67	1.74	1.93	3.87	5.80	9.02
18	4.05	15.06	3.67	1.74	1.93	3.99	5.92	9.14
19	4.25	15.31	3.67	1.74	1.93	4.11	6.05	9.26
20	4.46	15.57	3.61	1.71	1.90	3.65	5.55	10.02
21	4.67	15.84	3.61	1.71	1.90	3.83	5.74	10.10
22	4.90	16.12	3.61	1.71	1.90	4.02	5.92	10.20
23	5.13	16.42	3.61	1.71	1.90	4.21	6.11	10.30
24	5.38	16.73	3.62	1.72	1.91	4.40	6.31	10.42
25	5.65	17.06	3.62	1.72	1.91	4.59	6.50	10.56
26	5.92	17.40	3.62	1.72	1.91	4.83	6.74	10.66
27	6.21	17.77	3.62	1.72	1.91	5.08	6.98	10.78
28	6.52	18.15	3.64	1.72	1.91	5.32	7.23	10.92
29	6.84	18.55	3.64	1.72	1.91	5.56	7.48	11.08
30	7.18	18.98	3.64	1.72	1.91	5.81	7.72	11.26
31	7.54	19.43	3.64	1.72	1.91	6.05	7.96	11.47
32	7.92	19.90	3.65	1.73	1.92	6.29	8.21	11.69
33	8.32	20.40	3.65	1.73	1.92	6.53	8.45	11.94
34	8.74	20.92	3.65	1.73	1.92	6.78	8.70	12.23
35	9.18	21.48	3.65	1.73	1.92	7.02	8.94	12.54
36	9.65	22.06	3.66	1.73	1.93	7.43	9.35	12.71
37	10.14	22.67	3.66	1.73	1.93	7.83	9.76	12.92
38	10.66	23.32	3.66	1.73	1.93	8.24	10.16	13.16
39	11.20	24.01	3.67	1.74	1.93	8.64	10.57	13.43
40	11.79	24.73	3.67	1.74	1.93	9.05	10.98	13.75
41	12.40	25.50	3.68	1.75	1.94	9.45	11.39	14.11
42	13.06	26.32	3.68	1.75	1.94	9.86	11.79	14.53
43	13.75	27.19	3.68	1.75	1.94	10.26	12.20	14.99
44	14.49	28.11	3.70	1.75	1.95	10.67	12.61	15.50
45	15.26	29.08	3.70	1.75	1.95	11.07	13.02	16.07

Table 2

FEMALE PREFERRED TOBACCO

ISSUE AGE	NET LEVEL ANNUAL PREMIUM	(1) MAXIMUM FIRST YEAR EXPENSE ALLOWANCE	(2) FIRST YEAR EXPENSE CHARGE	(3) AVERAGE RENEWAL EXPENSE CHARGE	(4) (2) + (3) INITIAL ACQUIS EXPENSE CHARGE	(5) MAXIMUM SURRENDER CHARGE	(6) (4) + (5) TOTAL CHARGES	(7) (1) - (6) UNUSED EXPENSE ALLOWANCE
46	16.09	30.11	3.71	1.76	1.95	11.72	13.67	16.44
47	16.96	31.20	3.71	1.76	1.95	12.37	14.32	16.88
48	17.88	32.35	3.72	1.76	1.96	13.01	14.97	17.38
49	18.85	33.56	3.72	1.76	1.96	13.66	15.62	17.94
50	19.86	34.83	3.73	1.77	1.96	14.31	16.27	18.56
51	20.93	36.16	3.73	1.77	1.96	14.96	16.92	19.24
52	22.06	37.56	3.74	1.77	1.97	15.61	17.58	19.98
53	23.22	39.03	3.76	1.78	1.98	16.25	18.23	20.80
54	24.45	40.56	3.76	1.78	1.98	16.90	18.88	21.69
55	25.74	42.18	3.77	1.78	1.98	17.55	19.53	22.64
56	27.09	43.87	4.02	1.90	2.12	18.36	20.48	23.39
57	28.51	45.64	4.03	1.91	2.12	19.17	21.29	24.35
58	30.00	47.50	4.04	1.92	2.13	19.98	22.11	25.39
59	31.58	49.47	4.04	1.92	2.13	20.79	22.92	26.55
60	33.23	51.54	4.06	1.92	2.13	21.60	23.73	27.81
61	34.98	53.73	4.08	1.93	2.15	22.50	24.65	29.08
62	36.84	56.05	4.09	1.94	2.15	22.50	24.65	31.40
63	38.80	58.50	4.10	1.94	2.16	22.50	24.66	33.84
64	40.89	60.00	4.13	1.96	2.17	22.50	24.67	35.33
65	43.11	60.00	4.14	1.96	2.18	22.50	24.68	35.32
66	45.47	60.00	4.16	1.97	2.19	22.50	24.69	35.31
67	48.00	60.00	4.19	1.98	2.20	22.50	24.70	35.30
68	50.69	60.00	4.21	2.00	2.22	22.50	24.72	35.28
69	53.57	60.00	4.25	2.01	2.24	22.50	24.74	35.26
70	56.64	60.00	4.28	2.03	2.25	22.50	24.75	35.25
71	59.92	60.00	4.33	2.05	2.28	22.50	24.78	35.22
72	63.40	60.00	4.38	2.07	2.31	22.50	24.81	35.19
73	67.11	60.00	4.44	2.10	2.34	22.50	24.84	35.16
74	71.05	60.00	4.52	2.14	2.38	22.50	24.88	35.12
75	75.24	60.00	4.63	2.19	2.44	22.50	24.94	35.06
76	79.72	60.00	4.80	2.27	2.53	22.50	25.03	34.97
77	84.52	60.00	5.04	2.39	2.65	22.50	25.15	34.85
78	89.67	60.00	5.52	2.61	2.91	22.50	25.41	34.59
79	95.22	60.00	6.85	3.25	3.61	22.50	26.11	33.89
80	101.20	60.00	8.18	3.88	4.31	22.50	26.81	33.19
81	107.68	60.00	9.52	4.51	5.01	22.50	27.51	32.49
82	114.43	60.00	10.85	5.14	5.71	22.50	28.21	31.79
83	121.40	60.00	12.18	5.77	6.41	22.50	28.91	31.09
84	128.67	60.00	13.51	6.40	7.11	22.50	29.61	30.39
85	136.21	60.00	14.84	7.03	7.81	22.50	30.31	29.69

Table 2

FEMALE TOBACCO

ISSUE AGE	(1) NET LEVEL ANNUAL PREMIUM	(2) MAXIMUM FIRST YEAR EXPENSE ALLOWANCE	(3) FIRST YEAR EXPENSE CHARGE	(4) AVERAGE RENEWAL EXPENSE CHARGE	(5) (2) + (3) INITIAL ACQUIS EXPENSE CHARGE	(6) MAXIMUM SURRENDER CHARGE	(7) (4) + (5) TOTAL CHARGES	(8) (1) - (6) UNUSED EXPENSE ALLOWANCE
0	1.76	12.20	3.67	1.74	1.93	1.80	3.73	8.46
1	1.82	12.28	3.67	1.74	1.93	1.93	3.86	8.42
2	1.90	12.38	3.67	1.74	1.93	2.04	3.98	8.40
3	1.99	12.49	3.67	1.74	1.93	2.17	4.10	8.38
4	2.08	12.60	3.67	1.74	1.93	2.29	4.22	8.38
5	2.18	12.73	3.67	1.74	1.93	2.41	4.34	8.38
6	2.29	12.86	3.67	1.74	1.93	2.53	4.46	8.40
7	2.40	13.00	3.67	1.74	1.93	2.66	4.59	8.41
8	2.51	13.14	3.67	1.74	1.93	2.77	4.70	8.44
9	2.64	13.29	3.67	1.74	1.93	2.90	4.83	8.46
10	2.76	13.46	3.67	1.74	1.93	3.02	4.95	8.51
11	2.90	13.63	3.67	1.74	1.93	3.14	5.07	8.55
12	3.04	13.80	3.67	1.74	1.93	3.26	5.19	8.61
13	3.19	13.99	3.67	1.74	1.93	3.38	5.32	8.67
14	3.35	14.18	3.67	1.74	1.93	3.50	5.43	8.75
15	3.51	14.39	3.67	1.74	1.93	3.63	5.56	8.83
16	3.68	14.60	3.67	1.74	1.93	3.74	5.68	8.93
17	3.86	14.83	3.67	1.74	1.93	3.87	5.80	9.02
18	4.05	15.06	3.67	1.74	1.93	3.99	5.92	9.14
19	4.25	15.31	3.67	1.74	1.93	4.11	6.05	9.26
20	4.46	15.57	3.67	1.74	1.93	4.23	6.16	9.41
21	4.67	15.84	3.67	1.74	1.93	4.43	6.36	9.48
22	4.90	16.12	3.68	1.75	1.94	4.63	6.56	9.55
23	5.13	16.42	3.68	1.75	1.94	4.82	6.76	9.65
24	5.38	16.73	3.68	1.75	1.94	5.02	6.96	9.77
25	5.65	17.06	3.68	1.75	1.94	5.22	7.16	9.90
26	5.92	17.40	3.70	1.75	1.95	5.51	7.46	9.95
27	6.21	17.77	3.70	1.75	1.95	5.79	7.73	10.03
28	6.52	18.15	3.70	1.75	1.95	6.08	8.02	10.13
29	6.84	18.55	3.71	1.76	1.95	6.35	8.31	10.25
30	7.18	18.98	3.71	1.76	1.95	6.64	8.59	10.38
31	7.54	19.43	3.71	1.76	1.95	6.92	8.87	10.55
32	7.92	19.90	3.71	1.76	1.95	7.21	9.16	10.74
33	8.32	20.40	3.72	1.76	1.96	7.49	9.45	10.95
34	8.74	20.92	3.72	1.76	1.96	7.78	9.73	11.19
35	9.18	21.48	3.72	1.76	1.96	8.06	10.01	11.47
36	9.65	22.06	3.73	1.77	1.96	8.51	10.48	11.58
37	10.14	22.67	3.73	1.77	1.96	8.97	10.94	11.74
38	10.66	23.32	3.74	1.77	1.97	9.43	11.40	11.92
39	11.20	24.01	3.74	1.77	1.97	9.89	11.86	12.14
40	11.79	24.73	3.74	1.77	1.97	10.35	12.32	12.41
41	12.40	25.50	3.76	1.78	1.98	10.81	12.79	12.72
42	13.06	26.32	3.76	1.78	1.98	11.27	13.24	13.08
43	13.75	27.19	3.77	1.78	1.98	11.73	13.71	13.48
44	14.49	28.11	3.77	1.78	1.98	12.19	14.17	13.94
45	15.26	29.08	3.78	1.79	1.99	12.65	14.63	14.45

Table 2

FEMALE TOBACCO

ISSUE AGE	NET LEVEL ANNUAL PREMIUM	(1) MAXIMUM FIRST YEAR EXPENSE ALLOWANCE	(2) FIRST YEAR EXPENSE CHARGE	(3) AVERAGE RENEWAL EXPENSE CHARGE	(4) (2) + (3) INITIAL ACQUIS EXPENSE CHARGE	(5) MAXIMUM SURRENDER CHARGE	(6) (4) + (5) TOTAL CHARGES	(7) (1) - (6) UNUSED EXPENSE ALLOWANCE
46	16.09	30.11	3.78	1.79	1.99	13.28	15.27	14.84
47	16.96	31.20	3.79	1.80	2.00	13.91	15.91	15.29
48	17.88	32.35	3.79	1.80	2.00	14.55	16.55	15.80
49	18.85	33.56	3.80	1.80	2.00	15.18	17.19	16.38
50	19.86	34.83	3.80	1.80	2.00	15.82	17.82	17.01
51	20.93	36.16	3.82	1.81	2.01	16.45	18.46	17.70
52	22.05	37.56	3.83	1.81	2.01	17.09	19.11	18.46
53	23.22	39.03	3.83	1.81	2.01	17.72	19.74	19.29
54	24.45	40.56	3.84	1.82	2.02	18.36	20.38	20.18
55	25.74	42.18	3.85	1.82	2.03	18.99	21.02	21.16
56	27.09	43.87	4.10	1.94	2.16	20.03	22.19	21.67
57	28.51	45.64	4.12	1.95	2.17	21.08	23.24	22.40
58	30.00	47.50	4.13	1.96	2.17	22.12	24.29	23.21
59	31.58	49.47	4.14	1.96	2.18	22.50	24.68	24.79
60	33.23	51.54	4.15	1.97	2.19	22.50	24.69	26.86
61	34.98	53.73	4.16	1.97	2.19	22.50	24.69	29.04
62	36.84	56.05	4.19	1.98	2.20	22.50	24.70	31.35
63	38.80	58.50	4.20	1.99	2.21	22.50	24.71	33.79
64	40.89	60.00	4.22	2.00	2.22	22.50	24.72	35.28
65	43.11	60.00	4.24	2.01	2.23	22.50	24.73	35.27
66	45.47	60.00	4.26	2.02	2.24	22.50	24.74	35.26
67	48.00	60.00	4.30	2.03	2.26	22.50	24.76	35.24
68	50.69	60.00	4.32	2.05	2.27	22.50	24.77	35.23
69	53.57	60.00	4.36	2.06	2.29	22.50	24.79	35.21
70	56.64	60.00	4.39	2.08	2.31	22.50	24.81	35.19
71	59.92	60.00	4.44	2.10	2.34	22.50	24.84	35.16
72	63.40	60.00	4.50	2.13	2.37	22.50	24.87	35.13
73	67.11	60.00	4.57	2.17	2.41	22.50	24.91	35.09
74	71.05	60.00	4.67	2.21	2.46	22.50	24.96	35.04
75	75.24	60.00	4.79	2.27	2.52	22.50	25.02	34.98
76	79.72	60.00	4.97	2.35	2.61	22.50	25.11	34.89
77	84.52	60.00	5.24	2.48	2.76	22.50	25.26	34.74
78	89.67	60.00	5.77	2.73	3.04	22.50	25.54	34.46
79	95.22	60.00	7.25	3.43	3.81	22.50	26.31	33.69
80	101.20	60.00	8.72	4.13	4.59	22.50	27.09	32.91
81	107.68	60.00	10.20	4.83	5.37	22.50	27.87	32.13
82	114.43	60.00	11.68	5.53	6.15	22.50	28.65	31.35
83	121.40	60.00	13.15	6.23	6.92	22.50	29.42	30.58
84	128.67	60.00	14.64	6.93	7.71	22.50	30.21	29.79
85	136.21	60.00	16.12	7.63	8.48	22.50	30.98	29.02

Table 3

Age: 20 Male Nontobacco

Initial Expense Allowance: 15.00

Total Initial Acquisition Exp Chg: 1.93

Policy Year	Attained Age	Unamortized and Unused Expense Allowance		Surrender Charge
		New Issue	Increase	
1	20	13.07	13.07	3.74
2	21	13.03	13.03	3.36
3	22	12.99	12.99	3.10
4	23	12.94	12.94	2.84
5	24	12.89	12.89	2.58
6	25	12.84	12.84	2.32
7	26	12.78	12.78	2.05
8	27	12.73	12.73	1.79
9	28	12.67	12.67	1.53
10	29	12.61	12.61	1.27
11	30	12.54	12.54	1.01
12	31	12.47	12.47	0.75
13	32	12.40	12.40	0.49
14	33	12.32	12.32	0.22
15	34	12.25	12.25	-
16	35	12.16	12.16	
21	40	11.69	11.69	
26	45	11.11	11.11	
31	50	10.42	10.42	
36	55	9.61	9.61	
41	60	8.68	8.68	
46	65	7.66	7.66	
51	70	6.58	6.58	
56	75	5.45	5.45	
61	80	4.33	4.33	
66	85	3.34	3.34	
71	90	2.55	2.55	
76	95	1.99	1.99	
81	100	1.58	1.58	
86	105	1.29	1.29	
91	110	1.03	1.03	
96	115	0.81	0.81	
97	116	0.77	0.77	
98	117	0.73	0.73	
99	118	0.69	0.69	
100	119	0.67	0.67	
101	120	-	-	

Table 3

Age: 35 Male Nontobacco

Initial Expense Allowance: 19.84

Total Initial Acquisition Exp Chg: 1.96

Policy Year	Attained Age	Unamortized and Unused Expense Allowance		Surrender Charge
		New Issue	Increase	
1	35	17.88	17.88	6.57
2	36	17.75	17.75	5.91
3	37	17.62	17.62	5.45
4	38	17.48	17.48	4.99
5	39	17.33	17.33	4.53
6	40	17.18	17.18	4.07
7	41	17.02	17.02	3.61
8	42	16.86	16.86	3.15
9	43	16.69	16.69	2.69
10	44	16.51	16.51	2.23
11	45	16.33	16.33	1.77
12	46	16.14	16.14	1.31
13	47	15.95	15.95	0.85
14	48	15.75	15.75	0.39
15	49	15.54	15.54	-
16	50	15.32	15.32	
21	55	14.12	14.12	
26	60	12.76	12.76	
31	65	11.26	11.26	
36	70	9.67	9.67	
41	75	8.00	8.00	
46	80	6.36	6.36	
51	85	4.91	4.91	
56	90	3.75	3.75	
61	95	2.93	2.93	
66	100	2.33	2.33	
71	105	1.90	1.90	
76	110	1.51	1.51	
81	115	1.19	1.19	
82	116	1.13	1.13	
83	117	1.07	1.07	
84	118	1.02	1.02	
85	119	0.99	0.99	
86	120	-	-	

Table 3

Age: 65 Male Nontobacco

Initial Expense Allowance: 60.00

Total Initial Acquisition Exp Chg: 2.24

Policy Year	Attained Age	Unamortized and Unused Expense Allowance		Surrender Charge
		New Issue	Increase	
1	65	57.76	57.76	22.50
2	66	56.17	56.17	20.25
3	67	54.57	54.57	18.68
4	68	52.94	52.94	17.10
5	69	51.29	51.29	15.53
6	70	49.61	49.61	13.95
7	71	47.90	47.90	12.38
8	72	46.18	46.18	10.80
9	73	44.47	44.47	9.23
10	74	42.76	42.76	7.65
11	75	41.05	41.05	6.08
12	76	39.34	39.34	4.50
13	77	37.63	37.63	2.93
14	78	35.93	35.93	1.35
15	79	34.26	34.26	-
16	80	32.63	32.63	
21	85	25.16	25.16	
26	90	19.22	19.22	
31	95	15.00	15.00	
36	100	11.93	11.93	
41	105	9.72	9.72	
46	110	7.77	7.77	
51	115	6.09	6.09	
52	116	5.79	5.79	
53	117	5.50	5.50	
54	118	5.22	5.22	
55	119	5.09	5.09	
56	120	-	-	

Table 3

Age: 85 Male Nontobacco

Initial Expense Allowance: 60.00

Total Initial Acquisition Exp Chg: 9.44

Policy Year	Attained Age	Unamortized and Unused Expense Allowance		Surrender Charge
		New Issue	Increase	
1	85	50.56	50.56	22.50
2	86	47.87	47.87	20.25
3	87	45.32	45.32	18.68
4	88	42.92	42.92	17.10
5	89	40.69	40.69	15.53
6	90	38.62	38.62	13.95
7	91	36.72	36.72	12.38
8	92	34.92	34.92	10.80
9	93	33.22	33.22	9.23
10	94	31.63	31.63	7.65
11	95	30.14	30.14	6.08
12	96	28.78	28.78	4.50
13	97	27.48	27.48	2.93
14	98	26.23	26.23	1.35
15	99	25.05	25.05	-
16	100	23.98	23.98	
21	105	19.53	19.53	
26	110	15.61	15.61	
27	111	14.89	14.89	
28	112	14.19	14.19	
29	113	13.52	13.52	
30	114	12.87	12.87	
31	115	12.24	12.24	
32	116	11.63	11.63	
33	117	11.05	11.05	
34	118	10.49	10.49	
35	119	10.22	10.22	
36	120	-	-	

Table 4 - Form FL-08(S)
Flexible Premium Adjustable Life
Maximum Surrender Charge Premiums

Issue Age	Male Preferred Plus NT	Male Preferred NT	Male Nontobacco	Male Preferred Tobacco	Male Tobacco	Female Preferred Plus NT	Female Preferred NT	Female Nontobacco	Female Preferred Tobacco	Female Tobacco
0	2.50	2.50	2.50	2.50	2.50	2.00	2.00	2.00	2.00	2.00
1	2.65	2.65	2.65	2.65	2.65	2.14	2.14	2.14	2.14	2.14
2	2.80	2.80	2.80	2.80	2.80	2.27	2.27	2.27	2.27	2.27
3	2.94	2.94	2.94	2.94	2.94	2.41	2.41	2.41	2.41	2.41
4	3.09	3.09	3.09	3.09	3.09	2.54	2.54	2.54	2.54	2.54
5	3.24	3.24	3.24	3.24	3.24	2.68	2.68	2.68	2.68	2.68
6	3.39	3.39	3.39	3.39	3.39	2.81	2.81	2.81	2.81	2.81
7	3.53	3.53	3.53	3.53	3.53	2.95	2.95	2.95	2.95	2.95
8	3.68	3.68	3.68	3.68	3.68	3.08	3.08	3.08	3.08	3.08
9	3.83	3.83	3.83	3.83	3.83	3.22	3.22	3.22	3.22	3.22
10	3.98	3.98	3.98	3.98	3.98	3.35	3.35	3.35	3.35	3.35
11	4.12	4.12	4.12	4.12	4.12	3.49	3.49	3.49	3.49	3.49
12	4.27	4.27	4.27	4.27	4.27	3.62	3.62	3.62	3.62	3.62
13	4.42	4.42	4.42	4.42	4.42	3.76	3.76	3.76	3.76	3.76
14	4.57	4.57	4.57	4.57	4.57	3.89	3.89	3.89	3.89	3.89
15	4.71	4.71	4.71	4.71	4.71	4.03	4.03	4.03	4.03	4.03
16	4.86	4.86	4.86	4.86	4.86	4.16	4.16	4.16	4.16	4.16
17	5.01	5.01	5.01	5.01	5.01	4.30	4.30	4.30	4.30	4.30
18	5.16	5.16	5.16	5.16	5.16	4.43	4.43	4.43	4.43	4.43
19	5.30	5.30	5.30	5.30	5.30	4.57	4.57	4.57	4.57	4.57
20	3.35	3.55	4.15	4.80	5.45	2.65	3.00	3.35	4.05	4.70
21	3.48	3.69	4.30	5.16	5.78	2.76	3.12	3.54	4.26	4.92
22	3.61	3.83	4.45	5.52	6.11	2.87	3.24	3.73	4.47	5.14
23	3.74	3.97	4.60	5.88	6.44	2.98	3.36	3.92	4.68	5.36
24	3.87	4.11	4.75	6.24	6.77	3.09	3.48	4.11	4.89	5.58
25	4.00	4.25	4.90	6.60	7.10	3.20	3.60	4.30	5.10	5.80
26	4.21	4.46	5.14	6.92	7.49	3.37	3.75	4.47	5.37	6.12
27	4.42	4.67	5.38	7.24	7.88	3.54	3.90	4.64	5.64	6.43
28	4.63	4.89	5.62	7.56	8.27	3.71	4.05	4.81	5.91	6.75
29	4.84	5.10	5.86	7.88	8.66	3.88	4.20	4.98	6.18	7.06
30	5.05	5.31	6.10	8.20	9.05	4.05	4.35	5.15	6.45	7.38
31	5.26	5.52	6.34	8.52	9.44	4.22	4.50	5.32	6.72	7.69
32	5.47	5.73	6.58	8.84	9.83	4.39	4.65	5.49	6.99	8.01
33	5.68	5.95	6.82	9.16	10.22	4.56	4.80	5.66	7.26	8.32
34	5.89	6.16	7.06	9.48	10.61	4.73	4.95	5.83	7.53	8.64
35	6.10	6.37	7.30	9.80	11.00	4.90	5.10	6.00	7.80	8.95
36	6.39	6.68	7.68	10.37	11.70	5.14	5.36	6.32	8.25	9.46
37	6.68	6.99	8.06	10.94	12.40	5.38	5.62	6.64	8.70	9.97
38	6.97	7.29	8.44	11.51	13.10	5.61	5.88	6.96	9.15	10.48
39	7.26	7.60	8.82	12.08	13.80	5.85	6.14	7.28	9.60	10.99
40	7.55	7.91	9.20	12.65	14.50	6.09	6.40	7.60	10.05	11.50
41	7.84	8.22	9.58	13.22	15.20	6.33	6.66	7.92	10.50	12.01
42	8.13	8.53	9.96	13.79	15.90	6.57	6.92	8.24	10.95	12.52
43	8.42	8.83	10.34	14.36	16.60	6.80	7.18	8.56	11.40	13.03
44	8.71	9.14	10.72	14.93	17.30	7.04	7.44	8.88	11.85	13.54
45	9.00	9.45	11.10	15.50	18.00	7.28	7.70	9.20	12.30	14.05

Table 4 - Form FL-08(S)
Flexible Premium Adjustable Life
Maximum Surrender Charge Premiums

Issue Age	Male Preferred Plus NT	Male Preferred NT	Male Nontobacco	Male Preferred Tobacco	Male Tobacco	Female Preferred Plus NT	Female Preferred NT	Female Nontobacco	Female Preferred Tobacco	Female Tobacco
46	9.55	10.01	11.84	16.45	19.10	7.70	8.13	9.73	13.02	14.76
47	10.10	10.56	12.58	17.40	20.20	8.12	8.56	10.26	13.74	15.46
48	10.65	11.12	13.32	18.35	21.30	8.55	8.99	10.79	14.46	16.17
49	11.20	11.67	14.06	19.30	22.40	8.97	9.42	11.32	15.18	16.87
50	11.75	12.23	14.80	20.25	23.50	9.39	9.85	11.85	15.90	17.58
51	12.30	12.78	15.54	21.20	24.60	9.81	10.28	12.38	16.62	18.28
52	12.85	13.34	16.28	22.15	25.70	10.23	10.71	12.91	17.34	18.99
53	13.40	13.89	17.02	23.10	26.80	10.66	11.14	13.44	18.06	19.69
54	13.95	14.45	17.76	24.05	27.90	11.08	11.57	13.97	18.78	20.40
55	14.50	15.00	18.50	25.00	29.00	11.50	12.00	14.50	19.50	21.10
56	15.30	15.96	19.54	26.80	30.60	12.10	12.70	15.37	20.40	22.26
57	16.10	16.92	20.58	28.60	32.20	12.70	13.40	16.25	21.30	23.42
58	16.90	17.88	21.62	30.40	33.80	13.30	14.10	17.12	22.20	24.58
59	17.70	18.84	22.66	32.20	35.40	13.90	14.80	18.00	23.10	25.74
60	18.50	19.80	23.70	34.00	37.00	14.50	15.50	18.87	24.00	26.90
61	19.36	20.81	24.88	35.10	38.60	15.35	16.34	19.82	25.02	28.02
62	20.22	21.82	26.06	36.20	40.20	16.20	17.18	20.76	26.04	29.14
63	21.08	22.83	27.24	37.30	41.80	17.05	18.02	21.71	27.06	30.26
64	21.94	23.84	28.42	38.40	43.40	17.90	18.86	22.65	28.08	31.38
65	22.80	24.85	29.60	39.50	45.00	18.75	19.70	23.60	29.10	32.50
66	23.98	26.28	31.58	41.80	47.32	20.06	21.04	25.18	30.68	34.60
67	25.16	27.71	33.56	44.10	49.64	21.37	22.38	26.76	32.26	36.70
68	26.34	29.14	35.54	46.40	51.96	22.68	23.72	28.34	33.84	38.80
69	27.52	30.57	37.52	48.70	54.28	23.99	25.06	29.92	35.42	40.90
70	28.70	32.00	39.50	51.00	56.60	25.30	26.40	31.50	37.00	43.00
71	30.12	33.74	41.77	53.22	59.40	26.30	27.84	33.20	39.00	44.60
72	31.54	35.48	44.03	55.44	62.20	27.30	29.28	34.90	41.00	46.20
73	32.96	37.22	46.30	57.66	65.00	28.30	30.72	36.60	43.00	47.80
74	34.38	38.96	48.56	59.88	67.80	29.30	32.16	38.30	45.00	49.40
75	35.80	40.70	50.83	62.10	70.60	30.30	33.60	40.00	47.00	51.00
76	40.72	45.63	55.24	66.39	74.74	33.62	37.34	43.80	50.90	55.10
77	45.64	50.56	59.66	70.68	78.88	36.94	41.08	47.60	54.80	59.20
78	50.56	55.49	64.08	74.97	83.02	40.26	44.82	51.40	58.70	63.30
79	55.48	60.42	68.50	79.26	87.16	43.58	48.56	55.20	62.60	67.40
80	60.40	65.35	72.91	83.55	91.30	46.90	52.30	59.00	66.50	71.50
81	65.32	70.28	77.33	87.84	95.44	50.22	56.04	62.80	70.40	75.60
82	70.24	75.21	81.75	92.13	99.58	53.54	59.78	66.60	74.30	79.70
83	75.16	80.14	86.17	96.42	103.72	56.86	63.52	70.40	78.20	83.80
84	80.08	85.07	90.58	100.71	107.86	60.18	67.26	74.20	82.10	87.90
85	85.00	90.00	95.00	105.00	112.00	63.50	71.00	78.00	86.00	92.00

Table 5 - Form FL-08(S)
Flexible Premium Adjustable Life
Monthly Per \$1,000
of Specified Amount Charges

Issue Age	Male Preferred Plus NT	Male Preferred NT	Male Nontobacco	Male Preferred Tobacco	Male Tobacco	Female Preferred Plus NT	Female Preferred NT	Female Nontobacco	Female Preferred Tobacco	Female Tobacco
0	0.325	0.325	0.325	0.325	0.325	0.306	0.306	0.306	0.306	0.306
1	0.325	0.325	0.325	0.325	0.325	0.306	0.306	0.306	0.306	0.306
2	0.325	0.325	0.325	0.325	0.325	0.306	0.306	0.306	0.306	0.306
3	0.325	0.325	0.325	0.325	0.325	0.306	0.306	0.306	0.306	0.306
4	0.325	0.325	0.325	0.325	0.325	0.306	0.306	0.306	0.306	0.306
5	0.325	0.325	0.325	0.325	0.325	0.306	0.306	0.306	0.306	0.306
6	0.325	0.325	0.325	0.325	0.325	0.306	0.306	0.306	0.306	0.306
7	0.325	0.325	0.325	0.325	0.325	0.306	0.306	0.306	0.306	0.306
8	0.325	0.325	0.325	0.325	0.325	0.306	0.306	0.306	0.306	0.306
9	0.325	0.325	0.325	0.325	0.325	0.306	0.306	0.306	0.306	0.306
10	0.325	0.325	0.325	0.325	0.325	0.306	0.306	0.306	0.306	0.306
11	0.325	0.325	0.325	0.325	0.325	0.306	0.306	0.306	0.306	0.306
12	0.325	0.325	0.325	0.325	0.325	0.306	0.306	0.306	0.306	0.306
13	0.325	0.325	0.325	0.325	0.325	0.306	0.306	0.306	0.306	0.306
14	0.325	0.325	0.325	0.325	0.325	0.306	0.306	0.306	0.306	0.306
15	0.325	0.325	0.325	0.325	0.325	0.306	0.306	0.306	0.306	0.306
16	0.325	0.325	0.325	0.325	0.325	0.306	0.306	0.306	0.306	0.306
17	0.325	0.325	0.325	0.325	0.325	0.306	0.306	0.306	0.306	0.306
18	0.325	0.325	0.325	0.325	0.325	0.306	0.306	0.306	0.306	0.306
19	0.325	0.325	0.325	0.325	0.325	0.306	0.306	0.306	0.306	0.306
20	0.302	0.305	0.305	0.325	0.325	0.293	0.294	0.295	0.301	0.306
21	0.303	0.305	0.305	0.325	0.325	0.293	0.294	0.295	0.301	0.306
22	0.303	0.306	0.306	0.325	0.325	0.293	0.294	0.296	0.301	0.307
23	0.303	0.306	0.306	0.326	0.326	0.293	0.294	0.296	0.301	0.307
24	0.303	0.306	0.306	0.326	0.326	0.294	0.294	0.296	0.302	0.307
25	0.303	0.307	0.307	0.327	0.327	0.294	0.295	0.296	0.302	0.307
26	0.304	0.307	0.307	0.327	0.327	0.294	0.295	0.296	0.302	0.308
27	0.304	0.307	0.307	0.327	0.327	0.294	0.295	0.297	0.302	0.308
28	0.304	0.307	0.307	0.328	0.328	0.294	0.295	0.297	0.303	0.308
29	0.304	0.308	0.308	0.328	0.328	0.295	0.295	0.297	0.303	0.309
30	0.305	0.308	0.308	0.329	0.329	0.295	0.296	0.297	0.303	0.309
31	0.305	0.308	0.308	0.329	0.329	0.295	0.296	0.297	0.303	0.309
32	0.305	0.309	0.309	0.330	0.330	0.295	0.296	0.298	0.304	0.309
33	0.306	0.309	0.309	0.330	0.330	0.295	0.296	0.298	0.304	0.310
34	0.306	0.310	0.310	0.330	0.331	0.296	0.297	0.298	0.304	0.310
35	0.306	0.310	0.310	0.331	0.331	0.296	0.297	0.299	0.304	0.310
36	0.306	0.310	0.310	0.331	0.332	0.296	0.297	0.299	0.305	0.311
37	0.307	0.311	0.311	0.332	0.332	0.296	0.297	0.299	0.305	0.311
38	0.307	0.311	0.311	0.332	0.333	0.297	0.298	0.299	0.305	0.312
39	0.308	0.312	0.312	0.333	0.333	0.297	0.298	0.300	0.306	0.312
40	0.308	0.312	0.312	0.333	0.334	0.297	0.298	0.300	0.306	0.312
41	0.308	0.313	0.313	0.334	0.335	0.298	0.299	0.300	0.307	0.313
42	0.309	0.313	0.313	0.334	0.335	0.298	0.299	0.301	0.307	0.313
43	0.309	0.314	0.314	0.335	0.336	0.298	0.299	0.301	0.307	0.314
44	0.310	0.314	0.314	0.336	0.337	0.299	0.300	0.301	0.308	0.314
45	0.310	0.315	0.315	0.336	0.337	0.299	0.300	0.302	0.308	0.315

Table 5 - Form FL-08(S)
Flexible Premium Adjustable Life
Monthly Per \$1,000
of Specified Amount Charges

Issue Age	Male Preferred Plus NT	Male Preferred NT	Male Nontobacco	Male Preferred Tobacco	Male Tobacco	Female Preferred Plus NT	Female Preferred NT	Female Nontobacco	Female Preferred Tobacco	Female Tobacco
46	0.310	0.315	0.315	0.337	0.338	0.299	0.300	0.302	0.309	0.315
47	0.311	0.316	0.316	0.338	0.339	0.300	0.301	0.303	0.309	0.316
48	0.311	0.316	0.316	0.339	0.340	0.300	0.301	0.303	0.310	0.316
49	0.312	0.317	0.317	0.339	0.341	0.301	0.302	0.304	0.310	0.317
50	0.313	0.318	0.318	0.340	0.342	0.301	0.302	0.304	0.311	0.317
51	0.313	0.319	0.319	0.341	0.342	0.302	0.303	0.305	0.311	0.318
52	0.314	0.319	0.319	0.342	0.344	0.302	0.303	0.305	0.312	0.319
53	0.315	0.320	0.320	0.343	0.345	0.303	0.304	0.306	0.313	0.319
54	0.315	0.321	0.321	0.344	0.346	0.303	0.304	0.306	0.313	0.320
55	0.316	0.322	0.322	0.345	0.347	0.304	0.305	0.307	0.314	0.321
56	0.337	0.342	0.342	0.366	0.378	0.325	0.326	0.328	0.335	0.342
57	0.338	0.343	0.343	0.367	0.380	0.325	0.326	0.328	0.336	0.343
58	0.339	0.344	0.344	0.369	0.381	0.326	0.327	0.329	0.337	0.344
59	0.340	0.345	0.345	0.370	0.383	0.327	0.328	0.330	0.337	0.345
60	0.341	0.347	0.347	0.372	0.385	0.328	0.329	0.331	0.338	0.346
61	0.342	0.348	0.348	0.373	0.386	0.329	0.330	0.332	0.340	0.347
62	0.343	0.349	0.350	0.375	0.388	0.330	0.331	0.333	0.341	0.349
63	0.344	0.351	0.351	0.377	0.391	0.331	0.332	0.334	0.342	0.350
64	0.346	0.352	0.353	0.379	0.393	0.332	0.333	0.336	0.344	0.352
65	0.348	0.354	0.355	0.382	0.396	0.333	0.335	0.337	0.345	0.353
66	0.349	0.356	0.367	0.384	0.399	0.335	0.336	0.339	0.347	0.355
67	0.351	0.358	0.370	0.387	0.402	0.337	0.338	0.340	0.349	0.358
68	0.354	0.361	0.373	0.391	0.406	0.339	0.340	0.342	0.351	0.360
69	0.357	0.364	0.376	0.395	0.410	0.341	0.342	0.345	0.354	0.363
70	0.360	0.367	0.380	0.399	0.415	0.343	0.345	0.347	0.357	0.366
71	0.363	0.371	0.385	0.404	0.421	0.346	0.348	0.351	0.361	0.370
72	0.368	0.376	0.390	0.411	0.429	0.350	0.352	0.355	0.365	0.375
73	0.373	0.382	0.397	0.419	0.438	0.355	0.356	0.359	0.370	0.381
74	0.381	0.390	0.406	0.429	0.449	0.360	0.362	0.365	0.377	0.389
75	0.390	0.400	0.417	0.443	0.465	0.368	0.370	0.374	0.386	0.399
76	0.404	0.415	0.434	0.462	0.487	0.379	0.381	0.385	0.400	0.414
77	0.425	0.438	0.460	0.493	0.521	0.397	0.399	0.404	0.420	0.437
78	0.466	0.483	0.510	0.552	0.587	0.430	0.433	0.439	0.460	0.481
79	0.580	0.607	0.651	0.717	0.773	0.524	0.529	0.538	0.571	0.604
80	0.695	0.731	0.791	0.881	0.959	0.618	0.624	0.637	0.682	0.727
81	0.809	0.855	0.932	1.046	1.144	0.711	0.719	0.736	0.793	0.850
82	0.924	0.980	1.072	1.211	1.330	0.805	0.815	0.835	0.904	0.973
83	1.038	1.104	1.213	1.376	1.515	0.899	0.910	0.933	1.015	1.096
84	1.153	1.228	1.353	1.541	1.701	0.992	1.006	1.032	1.126	1.220
85	1.267	1.353	1.494	1.705	1.887	1.086	1.101	1.131	1.237	1.343

Statutory Reserves
Form FL-08(S)

Because the No-Lapse guarantee is embedded in the policy, the reserves will be the greater of the reserve calculated under the Commissioner's Reserve Valuation Method (CRVM) for Flexible Premium Adjustable Life and the reserve calculated using Actuarial Guideline XXXVIII (AG38) methodology. The description and demonstration of the AG38 reserve can be found in the attachment to this memorandum.

The following items will be calculated at time of policy issue.

Guaranteed Maturity Premium (GMP) - The GMP is the level annual gross premium paid to age 121, which will endow the policy at age 121. The GMP is calculated based on the underwriting classification, plan of insurance purchased and policy guarantees including expense charges, interest rates and mortality charges.

Guaranteed Maturity Fund (GMF) - The GMF is an accumulation fund value defined for each duration using guaranteed expense charges, interest rates and mortality charges, and assuming the GMP's are paid.

Future Benefits (FB) - The FB are the Death Benefits associated with each of the GMF values, defined for all policy durations. These Future Benefits are based on the Death Benefit Option (Specified Amount includes Policy Value or Specified Amount does not include Policy Value) and the percentage of Policy Value factors in Section 8 of Form FL-08(S), if applicable.

Present Value of Future Benefits (PVFB_I) - The PVFB at issue is the value of the future benefits, discounted for interest and mortality that correspond to the valuation basis for the year of issue. The mortality used is based on the 2001 CSO Preferred Class Structure Sex Distinct Mortality Table, Age Nearest Birthday.

$$PVFB_I = \frac{1 * \sum_{t=1}^{121-x} [(l_{x+t-1} - l_{x+t}) * FB_t]}{\sum_{k=1}^t (1+i_k)}$$

where:

x = issue age

l_{x+t} = number of lives at age x+t using valuation mortality

i_k = valuation interest rate for duration k

SA = Specified Amount at issue

CRVM Expense Allowance (E^{CRVM}) - The E^{CRVM} is equal to (a)-(b) where:

(a) is (i) the net level annual premium for the contract as if issued at an age one year older with premiums payable one year less and maturing at the same age, but not greater than (ii) a net level annual premium for a 19 pay whole life contract issued at an age one year older.

$$(i) \quad \frac{\sum_{j=0}^{(121-x)-2} FB_{j+2} * v^{j+1} * {}_j p_{x+1} * q_{x+j+1} + FB_{(121-x)} * v^{(121-x)-1} * {}_{121-x-1} p_{x+1}}{\sum_{j=0}^{(121-x)-2} v^j * {}_j p_{x+1}}$$

(ii) $ELRA * 19P_{x+1}$

where, ELRA is the Equivalent Level Renewal Amount

$$ELRA = \frac{\sum_{j=0}^{(121-x)-2} FB_{j+2} * v^{j+1} * {}_jP_{x+1} * q_{x+j+1}}{A_{x+1}}$$

and,

$$19P_{x+1} = A_{x+1} / a_{x+1:19}$$

(b) is the net one year term insurance premium for the benefit provided in the first year.

$$FB_1 * A_{x:1}$$

The following items will be calculated at each valuation date.

Cash Value (CV_m) - The CV_m is the accumulated fund value of the policy, at the time of valuation.

Net Surrender Value (CSV_m) - The CSV_m is the cash value of the policy less the surrender charge, if any, at the time of valuation.

Ratio (r) - equals CV_m divided by GMF_m .

If the ratio r is less than zero or greater than one, then it should be set equal to one.

Future Benefits (FB) - Using the greater of CV_m or GMF_m as a starting value on the valuation date, future benefits are calculated assuming guaranteed interest, mortality and expense charges, with GMP's paid on the policy anniversaries.

Present Value of Future Benefits ($PVFB_m$) - The $PVFB$ at the time of valuation is the value of the Future Benefits, discounted for interest and mortality using the valuation basis.

Net Level Premium Reserves (NLR_m) - The net level premium reserves are equal to $((A) - (B)) * r$ where:

(A) is $PVFB_m$

(B) is $PVNLP = NLP * a_{x+m}$
where $NLP = PVFB_I / a_x$

r is the ratio defined above.

CRVM Reserve ($CRVM_m$) - The $CRVM$ at time of valuation m is defined as follows:

$$CRVM_m = NLR_m - (E^{CRVM} * \frac{a_{x+m}}{a_x} * r)$$

STATUTORY RESERVES
FORM FL-08(S)
SAMPLE CALCULATION

Male, Age 35, Nonsmoker
\$100,000 Specified Amount
Issue Date = 5/1/08

Guaranteed Maturity Premium (GMP) = 1,689.15

Guaranteed Maturity Fund (GMF) - see attached Table

Future Benefits (FB) - see attached Table

Present Value of Future Benefits (PVFB_I) - using 4% interest and the 2001 CSO Residual Standard Nonsmoker Mortality Table, the PVFB_I = 20,801.85

CRVM Expense Allowance (E^{CRVM}) -

(a) (i) the net level annual premium issued one year older = \$1,053.62

(ii) $ELRA * {}_{19}P_{x+1} = \$1,602.81$

$ELRA = \$100,000$

${}_{19}P_{x+1} = .016028$

(b) is the net one year term insurance premium

$FB_1 * A_{x:1} = \$56.78$

$FB_1 = 100,000$

$A_{x:1} = .0005678$

$E^{CRVM} = (a) - (b) = 1,053.62 - 56.78 = 996.84$

Using a valuation date of 12/31/08, $m=8$.

Cash Value (CV_m) - Assuming an actual premium of \$1,689.15, actual interest credited at 3%, and current cost of insurance rates, $CV_m = \$1,376.62$.

Net Surrender Value = 719.62

Ratio (r) - CV_m / GMF_m

$GMF_m = 1,068.45$

$r = 1,376.62 / 1,068.45 > 1$, therefore $r = 1.00$

Present Value of Future Benefits (PVFB_m) -

$PVFB_8 = 21,441.12$

Net Level Premium Reserves (NLR_m) -

$((A) - (B)) * r$

(A) is $PVFB_8 = 21,441.12$

(B) is $PVNLP = NLP * a_{x+m}$

$$\begin{aligned}
 \text{where NLP} &= \text{PVFB}_I / a_x \\
 &= 20,801.85/20.69 \\
 &= 1,005.44
 \end{aligned}$$

$$a_{x+m} = 20.22$$

$$\text{PVNLP} = 1,005.44 * 20.22 = 20,328.72$$

$$\text{NLR}_m = (21,441.12 - 20,328.72) * 1.00 = 1,112.40$$

CRVM Reserve (CRVM_m) -

$$\begin{aligned}
 \text{CRVM}_m &= \text{NLR}_m - (E^{\text{CRVM}} * \frac{a_{x+m}}{a_x} * r) \\
 &= 1,112.40 - 996.84 * 20.22/20.69 * 1.00 \\
 &= 138.24
 \end{aligned}$$

$$\text{AG38 Reserve (fTV}_{[x]}\text{ from Attachment)} = 2,281.46$$

$$\text{Statutory Reserve} = \text{MAX} (\text{CSV}_m, \text{CRVM}_m, \text{fTV}_{[x]}) = \text{MAX}(719.62, 138.24, 2,281.46) = 2,281.46$$

Male Age 35 NonSmoker

Guaranteed Interest = 3%

Guaranteed COI = 2001 CSO Male NonSmoker

Specified Amount = \$100,000 (includes Policy Value)

Form FL-08(S)

GMP = \$1,689.15

<u>Duration</u>	<u>GMF</u>	<u>FB</u>	<u>Duration</u>	<u>GMF</u>	<u>FB</u>
1	882	100,000	44	68,724	100,000
2	1,785	100,000	45	70,319	100,000
3	2,712	100,000	46	71,859	100,000
4	3,659	100,000	47	73,333	100,000
5	4,628	100,000	48	74,750	100,000
6	5,618	100,000	49	76,111	100,000
7	6,629	100,000	50	77,413	100,000
8	7,657	100,000	51	78,648	100,000
9	8,702	100,000	52	79,808	100,000
10	9,763	100,000	53	80,890	100,000
11	11,215	100,000	54	81,890	100,000
12	12,695	100,000	55	82,811	100,000
13	14,202	100,000	56	83,653	100,000
14	15,747	100,000	57	84,443	100,000
15	17,330	100,000	58	85,186	100,000
16	18,946	100,000	59	85,879	100,000
17	20,594	100,000	60	86,521	100,000
18	22,268	100,000	61	87,108	100,000
19	23,969	100,000	62	87,667	100,000
20	25,690	100,000	63	88,198	100,000
21	27,424	100,000	64	88,693	100,000
22	29,174	100,000	65	89,146	100,000
23	30,939	100,000	66	89,543	100,000
24	32,730	100,000	67	89,931	100,000
25	34,542	100,000	68	90,309	100,000
26	36,370	100,000	69	90,676	100,000
27	38,207	100,000	70	91,032	100,000
28	40,043	100,000	71	91,379	100,000
29	41,875	100,000	72	91,715	100,000
30	43,701	100,000	73	92,041	100,000
31	45,524	100,000	74	92,357	100,000
32	47,349	100,000	75	92,663	100,000
33	49,178	100,000	76	92,958	100,000
34	51,013	100,000	77	93,243	100,000
35	52,858	100,000	78	93,519	100,000
36	54,702	100,000	79	93,786	100,000
37	56,542	100,000	80	94,048	100,000
38	58,354	100,000	81	94,310	100,000
39	60,142	100,000	82	94,590	100,000
40	61,910	100,000	83	94,934	100,000
41	63,656	100,000	84	95,474	100,000
42	65,380	100,000	85	96,760	100,000
43	67,074	100,000	86	100,000	100,000

Actuarial Guideline XXXVIII Reserves for Secondary Guarantee on Form FL-08(S)

Description

Actuarial Guideline XXXVIII describes a nine step process to calculate the reserves on a universal life policy that guarantees the coverage to remain in force as long as the accumulation of premiums paid satisfy the secondary guarantee requirement.

The first step requires a calculation of the minimum premiums that will satisfy the secondary guarantee requirement. The second step states that the specified premiums used for basic and deficiency reserve calculation be the minimum gross premiums derived in the first step. Basic and deficiency reserves are then calculated as instructed in the Valuation of Life Insurance Policies Model Regulation. Additionally, for purposes of applying Sections 7B and 7C of the Model, a lapse rate as described in AGXXXVIII may be used.

Step three states that a determination should be made of the amount of actual premium payments in excess of the minimum gross premiums, which is the amount of the shadow account. Step four requires a determination of the minimum amount of the shadow account required to fully fund the guarantee. The amount determined above for this step is to then be divided by one minus a seven percent premium load allowance (0.93). A funding ratio is then calculated by dividing the amount calculated in step 3 by the amount calculated in step 4, with the resulting ratio capped at 1.

In step five the net single premium on the valuation date is computed, using any valuation table and select factors authorized in section 5A of the Valuation of Life Insurance Policies Model Regulation. A lapse rate subject to the same criteria as in step 2 above may be used. The net single premium is calculated for the coverage provided by the secondary guarantee for the remainder of the secondary guarantee period. Step six determines the "net amount of additional premiums" by multiplying the funding ratio from step four by the difference between the net single premium in step five and the basic and deficiency reserves calculated in step two.

Step seven calculates a "reduced deficiency reserve" by multiplying the deficiency reserve by one minus the funding ratio calculated in step 4, but not less than zero. Step eight calculates the actual reserve to be used as the lesser of: (1) the net single premium from step five, (2) the amount of excess from step six plus the basic and deficiency reserves calculated in step two. This amount is reduced by any applicable surrender charges. If the resulting amount is less than the sum of the basic and deficiency reserve from step two, then the basic and deficiency reserves to be used are those calculated in step two. Step nine determines an "increased basic reserve" by subtracting the "reduced deficiency reserve" in step seven from the reserve calculated in step eight.

Definitions and Notation

Secondary Guarantee Period (n) – the period for which policyholder can maintain the policy in force due to the provisions of the secondary guarantee.

Minimum Gross Premium (GP) – the minimum premium to keep the secondary guarantee in force. This amount is calculated as the minimum premium that can be paid at the beginning of the policy year to keep the guarantee in force at the end of the year.

Present Value of Future Benefits (PVFB) – Value of future benefits discounted for interest and mortality and lapses. For Basic Reserves, PVFB is determined using an interest rate of 4% and Basic mortality. For Minimum reserves, PVFB is determined using an interest rate of 4% and Minimum Mortality. The maximum lapses allowed are used in the present value calculation.

Present Value of Future Premiums (PVNP) – Value of future net premiums discounted for interest and survivorship (including lapses). For Basic reserves, PVNP is determined using the net premiums for each segment, 4% interest, and Basic Mortality. For Minimum Reserves, PVNP is determined using the lower of the secondary guarantee specified premium and the net premium for each segment, 4% interest, and Minimum Mortality. Net Premium equals GP times the K factor for the segment. The maximum lapses allowed are used.

CRVM Expense Allowance (E^{CRVM}) – Excess of net level annual premium issued one year older over the one-year term premium.

Basic Mortality - is defined as 2001 CSO Preferred Class Structure Male/Female Select and Ultimate Mortality. Select factors may only be applied during the first segment.

Minimum Mortality - is defined as 2001 CSO Preferred Class Structure Male/Female S & U Mortality and company-developed X-factors. Select factors and X-factors may only be applied during the first segment.

Terminal Reserve (${}_tV_{[x]}$) - present value of all future guaranteed death benefits (PVFB) minus the present value of all future net premiums (PVNP). For basic reserves this value is calculated using valuation interest and basic mortality. For minimum reserves this value is calculated using minimum interest and minimum mortality. The maximum lapses allowed are used in the present value calculations.

Deficiency Reserve (${}_tDV_{[x]}$) - A policy is deficient if the gross specified premium is less than the net premium. Any duration where this is true, the gross premium must be substituted for the net premium in the minimum reserve calculation. Any excess of minimum reserve over the basic reserve must be held as a deficiency reserve.

Mean Basic Reserve (${}_tMV_{[x]}$) - Mean reserve in year t is equal to the weighted average of the initial and terminal reserve for year t. Initial reserve is the prior year terminal reserve plus the net premium.

Excess (EX) - The amount in the shadow account. This will be equal to the sum of any paid premiums minus the shadow account charges accumulated with interest.

Single Pay Excess (SP) - The amount in the shadow account necessary to fully fund the secondary guarantee at the valuation date.

Net Single Premium (NSP) - The net single premium on the valuation date for the coverage provided by the secondary guarantee for the remainder of the secondary guarantee period using basic mortality. The maximum lapses allowed are used in the NSP calculation.

Total AG38 Reserve (${}_tTV_{[x]}$) = The total reserve held, which is the lesser of: (1) the net single premium from step five, (2) the amount of excess from step six plus the basic and deficiency reserves calculated in step two. This amount is reduced by any applicable surrender charges. If the resulting amount is less than the sum of the basic and deficiency reserve from step two, then the basic and deficiency reserves to be used are those calculated in step two.

Surrender Charge (SC) = The policy surrender charge applicable to the base policy's account value.

Formulas

$PVGP^{seg}$ = Present value of gross premiums during segment as of beginning of a segment

$$= \sum_{t=1}^j GP_{[x]+k+t-1} * v^{t-1} * {}_{t-1}P_{[x]+k}$$

$PVFB^{seg}$ = Present value of death benefits during segment as of beginning of a segment

$$= \sum_{t=1}^j Face_{t+k} * v^t * q_{[x]+k+t-1} * {}_{t-1}P_{[x]+k}$$

$$E^{CRVM} = \frac{\sum_{t=2}^j Face_t * v^t * q_{[x]+t-1} * {}_{t-1}P_{[x]} * GP_{[x]} - Face_1 * v * q_{[x]} * i / \ln(1+i)}{\sum_{t=2}^j GP_{[x]+t-1} * v^{t-1} * {}_{t-1}P_{[x]}}$$

$$K = (PVFB^{seg} + E^{CRVM}) / PVGP^{seg}$$

$PVNP$ = Present value of net premiums

$$= \sum_{t=1}^j K_{k+t+r} * GP_{[x]+k+t-1} * v^{t-1} * {}_{t-1}P_{[x]+k}$$

$${}_tV_{[x]+k} = PVFB(t) - PVNP(t)$$

$$= \sum_{r=1}^n Face_{k+t+r} * v^r * {}_{r-1}P_{[x]+k+t} * q_{[x]+k+t+r-1} - K_{k+t+r} * GP_{[x]+k+t+r-1} * v^{r-1} * {}_{r-1}P_{[x]+k+t}$$

where:

$p_{[x]}$ includes applicable mortality and lapses

x = issue age of insured

n = secondary guarantee period

j = length of current segment

k = number of years from issue to beginning of segment

t = number of years from beginning of current segment

$$v_i = 1 / (1+i)$$

i = valuation interest rate

Face_{k+t} = Death Benefit in year $k+t$

Sample Calculation

Insured:	Male, Age 35, Nonsmoker
Specified Amount:	\$100,000
Target Premium:	\$730
Issue Date	05/01/2008
Valuation Date:	12/31/2008

Basic Reserve

$I = 4.0\%$ for basic

Since the gross premiums increase at a rate less than the increase of the mortality, there is only one segment of length 86 years.

$$n = 86 \text{ years}$$

$$k = 0$$

$$\begin{aligned} \text{PVFB} &= \text{Present Value of future benefits at the start of the segment} \\ &= 20,831.50 \end{aligned}$$

$$\begin{aligned} \text{PVGP} &= \text{Present value of gross premiums at the start of the segment} \\ &= 18,783.34 \end{aligned}$$

$$\begin{aligned} E^{\text{CRVM}} &= \text{PVFB}(t+1) / \text{PVGP}(t+1) * \text{GP} - \text{Face} * (1/(1+I)) * q_{[55]} * i / \ln(1+i) \\ &= 21,618.15 / 19,430.50 * 111.00 - 100,000 * (1/(1+.04)) * .00058 * .04 / \ln(1.04) \\ &= 66.62 \text{ in year 1 only} \end{aligned}$$

$$\begin{aligned} K &= (20,831.50 + 66.62) / 18,783.34 \\ &= 1.1126 \end{aligned}$$

$$\begin{aligned} \text{NP} &= \text{Net Premium} = \text{GP} * K - E^{\text{CRVM}} \\ &= 111.00 * 1.1126 - 66.62 = 56.88 \text{ in year 1} \end{aligned}$$

$$\begin{aligned} {}_1V_{[55]} &= \text{PVDB}(1) - \text{PVNP}(1) \\ &= 20,898.12 - 20,898.12 = 0 \end{aligned}$$

$${}_1MV_{[55]} = \frac{(12-m)}{12} * ({}_0V_{[55]} + \text{NP}_1) + \frac{m}{12} * {}_1V_{[55]}$$

Since Valuation date is 8 months past issue date $m = 8$.

$$= .33 * (0 + 56.88) + .67 * 0$$

$$= 18.96$$

Minimum Reserve

$I = 4\%$ for minimum reserves

Since the gross premiums increase at a rate less than the increase of the mortality, there is only one segment of length 86 years.

$$n = 86 \text{ years}$$

$$k = 0$$

$$\text{PVFB} = \text{Present Value of future benefits at the start of the segment}$$

$$= 16,176.70$$

$$\text{PVGP} = \text{Present value of gross premiums at the start of the segment}$$

$$= 26,285.59$$

$$E^{\text{CRVM}} = \text{PVDB}(t+1) / \text{PVGP}(t+1) * \text{GP} - \text{Face} * (1/(1+I)) * q_{[55]} * i / \ln(1+i)$$

$$= 16,798.57 / 27,229.63 * 111.00 - 100,000 * (1/(1+.04)) * .0002958 * .04 / \ln(1.04)$$

$$= 39.47 \text{ in year 1 only}$$

$$K = (16,176.70 + 39.47) / 26,285.59$$

$$= .6169$$

$$\text{NP} = \text{Net Premium} = \text{GP} * K - E^{\text{CRVM}}$$

$$= 111.00 * .6169 - 39.47 = 29.01 \text{ in year 1}$$

$${}_1V_{[55]} = \text{PVDB}(1) - \text{PVNP}(1)$$

$$= 16,216.17 - 16,216.17 = 0$$

$${}_1MV_{[55]} = \frac{(12-m)}{12} * ({}_0V_{[55]} + \text{NP}_1) + \frac{m}{12} * {}_1V_{[55]}$$

Since Valuation date is 8 months past issue date $m = 8$.

$$= .33 * (0 + 29.01) + .67 * 0$$

$$= 9.67$$

Deficiency Reserve

$${}_1DV_{[55]} = \text{MAX}(0, 9.67 - 18.96)$$

$$= 0$$

Actuarial Guideline XXXVIII Reserve

$$\text{EX} = 1,603.12$$

$$\text{SP} = 10,662.34$$

$$\text{SC} = 657.00$$

$$\text{Funding ratio} = EX/(SP/0.93) = 1,603.12 / (10,662.34/0.93) = .1398$$

$$NSP = 20,898.12$$

$${}_tDV_{[55]} = 0 * (1 - \text{Funding ratio}) = 0 * (1 - .1398) = 0$$

$$\begin{aligned} {}_tTV_{[55]} &= \text{MAX}({}_tMV_{[55]} + {}_tDV_{[55]}, \text{MIN}(NSP, {}_tMV_{[55]} + {}_tDV_{[55]} + [\text{Funding ratio} * (NSP - {}_tMV_{[55]} - {}_tDV_{[55]}) - SC]) = \text{MAX}(18.96 + 0, \\ &\text{MIN}[20,898.12, 18.96 + .1398 * (20,898.12 - 18.96 - 0) - 657.00]) \\ &= \text{MAX}(18.96, \text{MIN}(20,898.12, 2,281.46)) = 2,281.46 \end{aligned}$$

This reserve would then be compared to the cash surrender value and the CRVM UL model regulation reserve to determine the final statutory reserve. The final reserve held would be equal to the maximum of the cash surrender value, the CRVM reserve, and the Actuarial Guideline XXXVIII reserve calculated above.

PENN MUTUAL LIFE INSURANCE COMPANY

ACTUARIAL BASIS, CASH VALUE FORMULA
DEMONSTRATION OF COMPLIANCE WITH STANDARD NONFORFEITURE LAW
DEMONSTRATION OF COMPLIANCE WITH STANDARD VALUATION LAW

FLEXIBLE PREMIUM ADJUSTABLE LIFE, FORM FL-08(U)

I. DESCRIPTION OF POLICY CHARACTERISTICS

This policy provides adjustable life insurance coverage while the policy remains in force.

A. Death Benefits

Insurance on the life of the insured is integrated with the policy value under one of two options.

Under option one, the total death benefit is the Specified Amount on the date of death.

Under option two, the death benefit is defined as the Specified Amount on the date of death plus the policy value on the date of death.

Under either option, should the amount of a defined percentage of the policy value be greater than the death benefit on the date of death, the death benefit will be adjusted automatically to keep the death benefit equal to the defined percentage of the policy value. The defined percentage is that percentage which will continue to qualify the policy as life insurance under Section 7702 of the 1986 Internal Revenue Code. Note that this policy form can qualify for life insurance under either the Guideline Premium Test or the Cash Value Accumulation Test.

B. Policy Value

The policy value is the accumulation of interest of a percentage of the net premiums less expense charges and less the cost of insurance based on the net amount of risk.

C. Cash Surrender Value

The cash surrender value is the policy value less the surrender charge. A policy is subject to a surrender charge on the initial Specified Amount only during the first fourteen years in force and for fourteen years following an increase in the Specified Amount.

D. Continuation of Insurance

If the policyholder ceases paying premiums, the policy will continue in force for as long as the net cash surrender value is sufficient to keep it in force or the No Lapse Guarantee requirement is satisfied. The rates for calculating the Monthly Deductions will be the same as those used while on a premium paying basis.

E. No Lapse Guarantee

The policy will not lapse as a result of a Net Cash Surrender Value insufficient to cover the Monthly Deduction for the following month if, on a monthly anniversary prior to the Maturity Date, the No-Lapse Guarantee Requirement is satisfied. The No-Lapse Guarantee Requirement is satisfied if, on a monthly anniversary prior to the Maturity Date, the No-Lapse Guarantee Account less any outstanding indebtedness exceeds zero.

However, failure to satisfy this Requirement does not necessarily lapse the contract, provided the Net Cash Surrender Value is greater than zero.

F. Flexibility

At issue the owner selects both a premium amount and the amount of insurance, subject to the minimum amounts. At any time after the first policy year, while the policy is in force, the owner may change the amount of insurance. Decreases may not lower the amount of insurance below the minimum amount. Increases are subject to the rules of Penn Mutual as to age and amount. Evidence of insurability is required for any increase in the amount of insurance. Premiums after the first may be paid in any amount and at any interval subject to the following conditions:

- (1) No premium payment may be less than \$25 or such lower amount that may be established by Penn Mutual.
- (2) Penn Mutual reserves the right to limit total premiums paid in any policy year to the planned payments for that policy year as shown on Page 3 of the Policy.
- (3) If the Guideline Premium Test is used to qualify the policy as life insurance, total premiums paid in any year may not exceed the guideline premium limitation as set forth in Section 7702 of the Internal Revenue Code of 1986.

II. BASIS OF VALUES

A. Interest

The minimum interest rate that will be used in calculating the Policy Value is .24663% per month compounded monthly. This is equivalent to 3% per year compounded annually. The actual interest that will be credited to the Policy Value will be at rates set by Penn Mutual that could be higher than 3%.

Because of the retrospective approach used for the calculation of policy values, the use of an increased rate of interest in determining policy values would produce increased cash surrender values. Therefore, such use is not in conflict with the maximum interest rate defined in the Standard Nonforfeiture law.

B. Cost of Insurance

The guaranteed maximum cost of insurance rates applied in the calculation of policy values under this policy are the 2001 CSO (80) Smoker and Nonsmoker Mortality Table, Age Nearest Birthday.

The company may use modified cost of insurance rates which produce a lower cost of insurance, thus producing higher cash surrender values than those generated by the guaranteed maximum rates.

C. Expense Charges

The maximum expense charges applicable under this policy are:

- (a) a percent of premium charge of 15% of each premium paid;
- (b) a monthly expense charge of \$9.00;
- (c) a monthly expense charge per \$1,000 of original Specified Amount that varies by issue age for the first 120 months following the date of issue; and
- (d) if the Specified Amount has been increased within the past year, a monthly expense charge per \$1,000 of the increased Specified Amount that varies by the age at the time of increase for the first 120 months following the date of increase.

D. The same basis of values applies whether premiums are being paid or the policyholder has ceased to pay premiums.

III. POLICY VALUE FORMULA AND COMPARISON OF FLEXIBLE PREMIUM ADJUSTABLE LIFE CASH SURRENDER VALUES WITH MINIMUM NONFORFEITURE REQUIREMENTS

For Flexible Premium Adjustable Life (FPAL) the ultimate plan of insurance is determined by assuming that the initial premium and death benefit continue unchanged. Since FPAL is a universal life type policy, the initial premium and initial death benefit are those selected by the policyowner at issue, and hence are known.

The Standard Nonforfeiture Law (SNFL) defines minimum policy values using a prospective formula. But the prospective SNFL formula can be mathematically converted to a retrospective form. The method of calculating FPAL policy values was designed to be consistent with the retrospective equivalent of the SNFL cash value formula.

The following section will demonstrate that FPAL cash surrender values are greater than minimum cash values required by the retrospective version of the SNFL formula using the following approach:

- (1) It will be shown that the FPAL policy value formula is consistent with the retrospective equivalent of the formula required by the SNFL.
 - (2) Minimum FPAL policy values will be generated by using the minimum interest rate of 3% and maximum cost of insurance rates in the policy value formula. Minimum FPAL cash surrender values are obtained by subtracting the maximum surrender charge from the policy values.
- Excess interest and/or lower cost of insurance rates will result in policy values greater than those based on guaranteed cost of insurance and the 3% minimum interest rate.
- (3) It will be shown that the maximum surrender charge for FPAL will, at all times, be less than or equal to the maximum expense allowance permitted by the SNFL.
 - (4) The combination of items (1), (2) and (3) above ensures that regardless of the incidence and amount of FPAL premium payments and benefit changes, FPAL cash surrender values will be greater than the minimum SNFL cash values generated by the retrospective equivalent of the SNFL formula.

The following is a definition of terms used in the policy value formulas:

- t = duration from original issue date measured in months.
- i' = monthly interest rate equal to 3% annually, which equals $(1.03)^{1/12} - 1$
- tq_x = 1/12 of the appropriate 2001 CSO mortality rate for age x where x is the "age nearest birthday" as of the policy anniversary prior to month t .
- F_t = total death benefit in month t .
- E = Monthly expense charge which equals \$9.00 per policy while the policy remains in force.
- EC = excess of the first-year monthly charge per \$1,000 of original Specified Amount over the average (over 19 years) renewal monthly charge per \$1,000 of original Specified Amount. The monthly charge per \$1,000 of original Specified Amount varies by issue age and extends for the first 120 months following the date of issue or the date of an increase.
- G_t = Gross premium collected in month t . All premiums are assumed to be paid monthly at the beginning of each month.
- P_t = Net premium credited to policy values, which equals 85% of G_t .

${}_t r_x$ = Maximum monthly cost of insurance rate which equals ${}_t q_x / (1 - {}_t q_x)$ where x is the "age nearest birthday" as of the policy anniversary prior to month t.

C_t = Maximum monthly cost of insurance for month t.

${}_t CV$ = Policy value at end of month t.

${}_t SC$ = Surrender Charge at end of month t.

${}_t CSV$ = Cash Surrender Value at end of month t.

The FPAL policy value at time of issue (after receipt of the initial premium) is P. The FPAL policy value at the end of the first month just prior to the payment of the second month's premium is:

$$(1) \quad {}_1 CV = (P_1 - E - EC - C_1) * (1 + i')$$

where:

$$(2) \quad C_1 = {}_1 r_x * \frac{[F_1 - P_1]}{(1 + i')} = \frac{{}_1 q_x}{1 - {}_1 q_x} * \frac{[F_1 - P_1]}{(1 + i')}$$

Substituting (2) into (1), we have:

$$(3) \quad {}_1 CV = [P_1 - E - EC - \frac{{}_1 q_x}{1 - {}_1 q_x} * (F_1 - P_1)] * (1 + i')$$

$$= \frac{(P_1 - E - EC) * (1 + i') * (1 - {}_1 q_x) - {}_1 q_x * F_1 + {}_1 q_x * P_1 * (1 + i')}{1 - {}_1 q_x}$$

Collecting terms:

$$(4) \quad {}_1 CV = \frac{(P_1) * (1 + i') - {}_1 q_x * F_1}{(1 - {}_1 q_x)} - (E + EC) * (1 + i')$$

and the cash surrender value, ${}_1 CSV$, is given by:

$$(5) \quad {}_1 CSV = \frac{(P_1) * (1 + i') - {}_1 q_x * F_1}{(1 - {}_1 q_x)} - (E + EC) * (1 + i') - {}_1 SC$$

Next it is necessary to show that the FPAL cash surrender value formula is consistent with the SNFL formula for calculating minimum cash values.

The first year minimum cash value required by the SNFL is calculated using a prospective formula involving the present value of future benefits less the present value of future adjusted net premiums. This prospective form can be converted into the following retrospective form by using the technique described on page 106 of Life Contingencies by C.W. Jordan.

The notation used for the SNFL minimum cash value formulas is as follows:

$$i = .03$$

$$q_{x+t} = \text{the appropriate 2001 CSO mortality rate where age } x+t \text{ is the "age nearest birthday" as of the } t\text{'th policy anniversary.}$$

$$P^A_t = \text{adjusted premium in year } t.$$

$$A_0 = \text{present value of future benefits at time of issue.}$$

$$PV(P^A)_0 = \text{present value of future adjusted premiums at time of issue.}$$

$$E^1 = \text{maximum first year expense allowance.}$$

$${}_tF = \text{death benefit in year } t.$$

$${}_tCV^M = \text{SNFL minimum cash value at end of year } t.$$

The retrospective formula for calculating the minimum cash value as defined by the SNFL, at the end of the first year, is:

$${}_1CV^M + q_x ({}_1F - {}_1CV^M) = ({}_0CV^M + P^A_1) (1 + i)$$

$$(6) \quad {}_1CV^M = \frac{({}_0CV^M + P^A_1) (1 + i) - q_x \cdot {}_1F}{1 - q_x}$$

where:

$${}_0CV^M = A_0 - PV(P^A)_0$$

$PV(P^A)_0$ is the present value of future net adjusted premiums which is also equal to $A_0 + E^1$. Using this value of $PV(P^A)_0$, $CV^M_0 = A_0 - (A_0 + E^1) = -E^1$.

Substituting $-E^1$ for CV_0 in (6), we have:

$$(7) \quad {}_1CV^M = \frac{(P^A_1 - E^1)(1+i) - q_x * F_1}{1 - q_x}$$

$$= \frac{(P^A_1) * (1+i) - q_x * F_1 - E^1 * (1+i)}{(1 - q_x)(1 - q_x)}$$

Formula (5) is shown for comparison of FPAL cash value to SNFL minimum:

$$(5) \quad {}_1CV = \frac{[P_1](1+i') - {}_1q_x * F_1 - (E + EC) * (1+i') - {}_1SC}{1 - {}_1q_x}$$

These two formulas are identical with the following exceptions:

(a) Formula (5) develops policy values (and, therefore, cash surrender values) on a monthly basis while formula (7) is an annual calculation. The terms for interest and mortality in formula (5) are the monthly equivalents of the like terms in formula (7) based on the following assumptions:

$$(1+i')^{12} = (1+i) \quad (\text{compound interest})$$

$${}_1q_x = (1/12) * q_x \quad (\text{uniform distribution of deaths})$$

(b) The monthly expense charge, E , in formula (5) does not appear in formula (7) because it is a level expense charge. Level expense charges are not subject to the first year expense allowance limit and do not appear in the formula for minimum cash values under SNFL.

(c) The term EC in formula (5) is analogous to E^1 in formula (7). It will be demonstrated that the value of EC plus the surrender charge can never exceed the minimum expense allowance under SNFL. This is a necessary condition to substantiate that the FPAL policy value and corresponding cash value formulas satisfy minimum requirements.

For renewal periods after the first year, the same consistency as demonstrated above exists. Consider the $t+1$ st month policy value where $t \geq 12$, just prior to the payment of the monthly premium P_{t+2} , which is due on the $t+1$ st month anniversary day. The FPAL formula is:

$$(7) \quad {}_{t+1}CV = ({}_tCV + P_{t+1})(1+i') - (1+i') C_{t+1} - E(1+i')$$

where:

$$(8) \quad C_{t+1} = \frac{{}_t r_x [F_{t+1} - ({}_t CV + P_{t+1})]}{1 + i'} = \frac{{}_{t+1} q_x [F_{t+1} - ({}_t CV + P_{t+1})]}{1 - {}_{t+1} q_x} \cdot \frac{1}{1 + i'}$$

Substituting (8) in (7), we have:

$$(9) \quad {}_{t+1} CV = ({}_t CV + P_{t+1} - E)(1 + i') - (1 + i') \cdot \frac{{}_{t+1} q_x [F_{t+1} - ({}_t CV + P_{t+1})]}{(1 - {}_{t+1} q_x)(1 + i')}$$

$$(10) \quad {}_{t+1} CV = \frac{({}_t CV + P_{t+1} - E)(1 + i') - {}_{t+1} q_x \cdot F_{t+1} + E \cdot (1 + i') \cdot ({}_{t+1} q_x)}{1 - {}_{t+1} q_x}$$

Using the retrospective method of calculating the SNFL minimum policy value for duration $t+1$, we have:

$$(11) \quad {}_{t+1} CV^M = \frac{({}_t CV^M + P_{t+1}^A)(1 + i) - q_{x+t+1} \cdot {}_{t+1} F}{1 - q_{x+t}}$$

The SNFL formula (11) is the same as the FPAL formula (10) except for the monthly versus annual time period, and except for the expense charge term, which is a level expense charge and does not appear in the formula for minimum cash values under SNFL.

Upon surrender of the Flexible Premium Adjustable Life Policy, a surrender charge is applied against the policy value. The surrender charge is determined by multiplying (d) times 90% of the lesser of (a), (b), and (c) where:

- (a) total premium paid in first 12 months after policy issue;
- (b) the Maximum Surrender Charge Premium;
- (c) \$25.00 per thousand of Specified Amount;
- (d) a factor based on policy year as follows:

<u>Policy Year</u>	<u>Factor</u>
1	1.00
2	.90
3	.83
4	.76
5	.69
6	.62
7	.55
8	.48
9	.41
10	.34
11	.27
12	.20
13	.13
14	.06
15+	0

Given we calculated the Flexible Premium Adjustable Life policy values using the minimum interest rate of 3% and the maximum monthly cost of insurance rates, the cash surrender values will be greater than the minimum policy values required by the SNFL, provided that the surrender charge can never be greater than the unamortized and unused portion of the maximum first year expense allowance under the SNFL.

The formula for the SNFL maximum allowance is:

$$E = (1.25 * H) + 10$$

where H is the minimum value of P or 40. [P is the Net Level Annual Premium].

Table 2 summarizes the maximum SNFL first year expense allowance age-by-age for comparison versus the maximum surrender charge. The nonforfeiture interest rate used is the maximum rate allowed by law (5%). Using a rate in excess of the policy's guarantee rate produces a smaller SNFL maximum first year expense allowance which is conservative when demonstrating compliance with SNFL.

As shown in Table 2, for each age, the maximum surrender charge plus the first year expense charge is less than the SNFL maximum first year expense allowance.

Table 3 shows, for various issue ages, the run off of the unamortized first year expense allowance versus the surrender charge. Note that in the ten years after issue and in the ten years following an increase, there is an annualized expense charge per \$1,000 of Specified Amount that varies by issue age or the age at the time of increase. The unamortized expense allowance reflects this charge. Table 4 contains the Maximum Surrender Charge Premiums and Table 5 contains the monthly expense charges per \$1,000 of Specified Amount.

A comment should be made about the consistency between the adjusted premiums (P^A) in the SNFL formulas and the net premiums less level expense charge ($P-E$) in the FPAL policy value formulas. The present value of adjusted premiums is equal to the present value of future benefits plus the first year expense allowance (E^1) at time of issue in the SNFL formula. Likewise, the present value of net premiums less level expense charge ($P-E$) (where P equals 85% of gross premiums and E equals \$9.00) is equal to the present value of future benefits, using the minimum 3% interest rate and maximum cost of insurance rates, which are based on the appropriate 2001 CSO mortality table. Effectively, the SNFL formula and the FPAL cash policy value formula amortize the first year expense charges over the premium paying period of the policy, and the first year expense allowance in the SNFL formula is greater than the policy surrender charge in the FPAL policy value formula. Thus the FPAL cash surrender value must be greater than the minimum SNFL value by the unamortized portion of the excess first year expenses.

The method of calculating policy values is described in the policy form and annually the Company will furnish the insured a statement showing the current policy values.

IV. VALUATION BASIS

The Standard Valuation Law requires minimum reserves to be computed under the Commissioner's Reserve Valuation Method (CRVM). The statutory reserve of this policy will be calculated as the greater of the following: the CRVM method; the reserve for the no-lapse guarantee; or the cash surrender value (see attached Statutory Reserves memo).



Andrew W. Martin, F.S.A., M.A.A.A.
Associate Actuary

2001 CSO

Issue Age	Unisex PPNT	Unisex PNT	Unisex NT	Unisex PT	Unisex T
0	0.00087	0.00087	0.00087	0.00087	0.00087
1	0.00052	0.00052	0.00052	0.00052	0.00052
2	0.00036	0.00036	0.00036	0.00036	0.00036
3	0.00026	0.00026	0.00026	0.00026	0.00026
4	0.00021	0.00021	0.00021	0.00021	0.00021
5	0.00020	0.00020	0.00020	0.00020	0.00020
6	0.00021	0.00021	0.00021	0.00021	0.00021
7	0.00022	0.00022	0.00022	0.00022	0.00022
8	0.00022	0.00022	0.00022	0.00022	0.00022
9	0.00023	0.00023	0.00023	0.00023	0.00023
10	0.00023	0.00023	0.00023	0.00023	0.00023
11	0.00026	0.00026	0.00026	0.00026	0.00026
12	0.00032	0.00032	0.00032	0.00032	0.00032
13	0.00037	0.00037	0.00037	0.00037	0.00037
14	0.00044	0.00044	0.00044	0.00044	0.00044
15	0.00056	0.00056	0.00056	0.00056	0.00056
16	0.00067	0.00067	0.00067	0.00067	0.00067
17	0.00078	0.00078	0.00078	0.00078	0.00078
18	0.00084	0.00084	0.00084	0.00084	0.00084
19	0.00088	0.00088	0.00088	0.00088	0.00088
20	0.00085	0.00085	0.00085	0.00113	0.00113
21	0.00085	0.00085	0.00085	0.00119	0.00119
22	0.00086	0.00086	0.00086	0.00125	0.00125
23	0.00086	0.00086	0.00086	0.00130	0.00130
24	0.00088	0.00088	0.00088	0.00138	0.00138
25	0.00088	0.00088	0.00088	0.00146	0.00146
26	0.00092	0.00092	0.00092	0.00153	0.00153
27	0.00097	0.00097	0.00097	0.00162	0.00162
28	0.00096	0.00096	0.00096	0.00164	0.00164
29	0.00095	0.00095	0.00095	0.00165	0.00165
30	0.00094	0.00094	0.00094	0.00165	0.00165
31	0.00094	0.00094	0.00094	0.00167	0.00167
32	0.00095	0.00095	0.00095	0.00169	0.00169
33	0.00098	0.00098	0.00098	0.00175	0.00175
34	0.00101	0.00101	0.00101	0.00183	0.00183
35	0.00105	0.00105	0.00105	0.00191	0.00191
36	0.00111	0.00111	0.00111	0.00202	0.00202
37	0.00117	0.00117	0.00117	0.00214	0.00214
38	0.00125	0.00125	0.00125	0.00230	0.00230
39	0.00132	0.00132	0.00132	0.00246	0.00246
40	0.00141	0.00141	0.00141	0.00264	0.00264
41	0.00152	0.00152	0.00152	0.00288	0.00288
42	0.00165	0.00165	0.00165	0.00315	0.00315
43	0.00181	0.00181	0.00181	0.00348	0.00348
44	0.00199	0.00199	0.00199	0.00387	0.00387
45	0.00221	0.00221	0.00221	0.00428	0.00428
46	0.00241	0.00241	0.00241	0.00468	0.00468
47	0.00265	0.00265	0.00265	0.00513	0.00513
48	0.00280	0.00280	0.00280	0.00543	0.00543
49	0.00298	0.00298	0.00298	0.00578	0.00578
50	0.00322	0.00322	0.00322	0.00624	0.00624
51	0.00350	0.00350	0.00350	0.00677	0.00677
52	0.00386	0.00386	0.00386	0.00747	0.00747
53	0.00426	0.00426	0.00426	0.00826	0.00826
54	0.00475	0.00475	0.00475	0.00921	0.00921
55	0.00534	0.00534	0.00534	0.01027	0.01027
56	0.00595	0.00595	0.00595	0.01136	0.01136
57	0.00660	0.00660	0.00660	0.01252	0.01252
58	0.00719	0.00719	0.00719	0.01347	0.01347
59	0.00785	0.00785	0.00785	0.01456	0.01456
60	0.00862	0.00862	0.00862	0.01584	0.01584

2001 CSO

Issue Age	Unisex PPNT	Unisex PNT	Unisex NT	Unisex PT	Unisex T
61	0.00955	0.00955	0.00955	0.01739	0.01739
62	0.01066	0.01066	0.01066	0.01922	0.01922
63	0.01190	0.01190	0.01190	0.02125	0.02125
64	0.01320	0.01320	0.01320	0.02331	0.02331
65	0.01459	0.01459	0.01459	0.02538	0.02538
66	0.01600	0.01600	0.01600	0.02740	0.02740
67	0.01746	0.01746	0.01746	0.02942	0.02942
68	0.01903	0.01903	0.01903	0.03156	0.03156
69	0.02067	0.02067	0.02067	0.03371	0.03371
70	0.02262	0.02262	0.02262	0.03628	0.03628
71	0.02482	0.02482	0.02482	0.03912	0.03912
72	0.02765	0.02765	0.02765	0.04283	0.04283
73	0.03064	0.03064	0.03064	0.04661	0.04661
74	0.03379	0.03379	0.03379	0.05048	0.05048
75	0.03725	0.03725	0.03725	0.05487	0.05487
76	0.04101	0.04101	0.04101	0.05956	0.05956
77	0.04533	0.04533	0.04533	0.06491	0.06491
78	0.05034	0.05034	0.05034	0.07102	0.07102
79	0.05606	0.05606	0.05606	0.07789	0.07789
80	0.06228	0.06228	0.06228	0.08523	0.08523
81	0.06954	0.06954	0.06954	0.09378	0.09378
82	0.07717	0.07717	0.07717	0.10252	0.10252
83	0.08526	0.08526	0.08526	0.11153	0.11153
84	0.09417	0.09417	0.09417	0.12129	0.12129
85	0.10410	0.10410	0.10410	0.13240	0.13240
86	0.11463	0.11463	0.11463	0.14393	0.14393
87	0.12678	0.12678	0.12678	0.15715	0.15715
88	0.13964	0.13964	0.13964	0.17081	0.17081
89	0.15310	0.15310	0.15310	0.18471	0.18471
90	0.16656	0.16656	0.16656	0.19796	0.19796
91	0.17734	0.17734	0.17734	0.20742	0.20742
92	0.18976	0.18976	0.18976	0.21846	0.21846
93	0.20425	0.20425	0.20425	0.23112	0.23112
94	0.22080	0.22080	0.22080	0.24530	0.24530
95	0.23992	0.23992	0.23992	0.26409	0.26409
96	0.25798	0.25798	0.25798	0.28123	0.28123
97	0.27737	0.27737	0.27737	0.29938	0.29938
98	0.28786	0.28786	0.28786	0.30738	0.30738
99	0.30277	0.30277	0.30277	0.31991	0.31991
100	0.32195	0.32195	0.32195	0.33679	0.33679
101	0.34020	0.34020	0.34020	0.35244	0.35244
102	0.36093	0.36093	0.36093	0.37026	0.37026
103	0.38445	0.38445	0.38445	0.39012	0.39012
104	0.41108	0.41108	0.41108	0.41237	0.41237
105	0.44070	0.44070	0.44070	0.44185	0.44185
106	0.47212	0.47212	0.47212	0.47315	0.47315
107	0.50524	0.50524	0.50524	0.50614	0.50614
108	0.53948	0.53948	0.53948	0.54029	0.54029
109	0.57574	0.57574	0.57574	0.57645	0.57645
110	0.61350	0.61350	0.61350	0.61412	0.61412
111	0.65088	0.65088	0.65088	0.65142	0.65142
112	0.68811	0.68811	0.68811	0.68860	0.68860
113	0.72351	0.72351	0.72351	0.72396	0.72396
114	0.77052	0.77052	0.77052	0.77089	0.77089
115	0.81587	0.81587	0.81587	0.81618	0.81618
116	0.86349	0.86349	0.86349	0.86375	0.86375
117	0.91572	0.91572	0.91572	0.91592	0.91592
118	0.96589	0.96589	0.96589	0.96603	0.96603
119	1.00000	1.00000	1.00000	1.00000	1.00000
120	1.00000	1.00000	1.00000	1.00000	1.00000

Table 2

UNISEX PREFERRED PLUS NONTABACCO

ISSUE AGE	(1) NET LEVEL ANNUAL PREMIUM	(2) MAXIMUM FIRST YEAR EXPENSE ALLOWANCE	(3) FIRST YEAR EXPENSE CHARGE	(4) AVERAGE RENEWAL EXPENSE CHARGE	(5) (2) + (3) INITIAL ACQUIS EXPENSE CHARGE	(6) MAXIMUM SURRENDER CHARGE	(7) (4) + (5) TOTAL CHARGES	(8) (1) - (6) UNUSED EXPENSE ALLOWANCE
0	1.63	12.04	3.85	1.82	2.03	2.16	4.19	7.85
1	1.67	12.09	3.85	1.82	2.03	2.30	4.32	7.77
2	1.73	12.16	3.85	1.82	2.03	2.42	4.45	7.72
3	1.80	12.25	3.85	1.82	2.03	2.56	4.58	7.67
4	1.88	12.36	3.85	1.82	2.03	2.68	4.71	7.65
5	1.97	12.46	3.85	1.82	2.03	2.82	4.84	7.62
6	2.06	12.58	3.85	1.82	2.03	2.94	4.97	7.61
7	2.16	12.70	3.85	1.82	2.03	3.08	5.11	7.60
8	2.26	12.83	3.85	1.82	2.03	3.20	5.23	7.60
9	2.37	12.97	3.85	1.82	2.03	3.34	5.37	7.60
10	2.49	13.11	3.85	1.82	2.03	3.47	5.49	7.61
11	2.61	13.26	3.85	1.82	2.03	3.60	5.63	7.63
12	2.73	13.41	3.85	1.82	2.03	3.73	5.75	7.66
13	2.86	13.57	3.85	1.82	2.03	3.86	5.89	7.68
14	2.99	13.74	3.85	1.82	2.03	3.99	6.01	7.73
15	3.13	13.91	3.85	1.82	2.03	4.12	6.15	7.76
16	3.27	14.08	3.85	1.82	2.03	4.25	6.28	7.81
17	3.41	14.26	3.85	1.82	2.03	4.38	6.41	7.85
18	3.55	14.44	3.85	1.82	2.03	4.51	6.54	7.90
19	3.70	14.63	3.85	1.82	2.03	4.64	6.67	7.95
20	3.86	14.82	3.60	1.71	1.89	2.89	4.78	10.04
21	4.02	15.03	3.61	1.71	1.90	3.01	4.91	10.12
22	4.20	15.24	3.61	1.71	1.90	3.11	5.02	10.23
23	4.38	15.47	3.61	1.71	1.90	3.23	5.13	10.34
24	4.58	15.72	3.61	1.71	1.90	3.34	5.24	10.48
25	4.78	15.98	3.61	1.71	1.90	3.46	5.36	10.62
26	5.00	16.25	3.62	1.72	1.91	3.64	5.54	10.71
27	5.23	16.54	3.62	1.72	1.91	3.82	5.72	10.81
28	5.47	16.84	3.62	1.72	1.91	4.01	5.91	10.92
29	5.72	17.15	3.62	1.72	1.91	4.19	6.09	11.06
30	6.00	17.49	3.64	1.72	1.91	4.37	6.28	11.22
31	6.28	17.86	3.64	1.72	1.91	4.55	6.46	11.40
32	6.59	18.24	3.64	1.72	1.91	4.73	6.64	11.60
33	6.92	18.65	3.65	1.73	1.92	4.91	6.83	11.81
34	7.26	19.08	3.65	1.73	1.92	5.09	7.01	12.06
35	7.63	19.53	3.65	1.73	1.92	5.27	7.19	12.34
36	8.02	20.02	3.65	1.73	1.92	5.53	7.45	12.57
37	8.43	20.53	3.66	1.73	1.93	5.78	7.70	12.83
38	8.86	21.07	3.66	1.73	1.93	6.03	7.96	13.12
39	9.32	21.65	3.67	1.74	1.93	6.28	8.21	13.43
40	9.81	22.26	3.67	1.74	1.93	6.53	8.47	13.79
41	10.32	22.90	3.67	1.74	1.93	6.79	8.72	14.18
42	10.87	23.58	3.68	1.75	1.94	7.04	8.98	14.61
43	11.44	24.31	3.68	1.75	1.94	7.29	9.23	15.08
44	12.05	25.07	3.70	1.75	1.95	7.54	9.49	15.58
45	12.70	25.87	3.70	1.75	1.95	7.79	9.74	16.13

Table 2

UNISEX PREFERRED PLUS NONTOBACCO

ISSUE AGE	(1) NET LEVEL ANNUAL PREMIUM	(2) MAXIMUM FIRST YEAR EXPENSE ALLOWANCE	(3) FIRST YEAR EXPENSE CHARGE	(4) AVERAGE RENEWAL EXPENSE CHARGE	(5) (2) + (3) INITIAL ACQUIS EXPENSE CHARGE	(6) MAXIMUM SURRENDER CHARGE	(7) (4) + (5) TOTAL CHARGES	(8) (1) - (6) UNUSED EXPENSE ALLOWANCE
46	13.38	26.72	3.70	1.76	1.95	8.26	10.21	16.52
47	14.10	27.62	3.71	1.76	1.95	8.73	10.68	16.94
48	14.86	28.57	3.71	1.76	1.95	9.21	11.16	17.42
49	15.67	29.59	3.72	1.76	1.96	9.68	11.63	17.96
50	16.54	30.67	3.73	1.77	1.96	10.15	12.12	18.56
51	17.46	31.83	3.73	1.77	1.96	10.62	12.58	19.24
52	18.45	33.06	3.74	1.77	1.97	11.10	13.07	19.99
53	19.49	34.36	3.76	1.78	1.98	11.57	13.54	20.82
54	20.60	35.75	3.76	1.78	1.98	12.04	14.02	21.73
55	21.78	37.22	3.77	1.78	1.98	12.51	14.49	22.73
56	23.02	38.78	4.02	1.90	2.12	13.19	15.31	23.47
57	24.34	40.43	4.02	1.90	2.12	13.88	15.99	24.43
58	25.74	42.18	4.03	1.91	2.12	14.56	16.68	25.49
59	27.24	44.05	4.04	1.92	2.13	15.25	17.37	26.67
60	28.84	46.05	4.06	1.92	2.13	15.93	18.06	27.98
61	30.55	48.18	4.07	1.93	2.14	16.70	18.85	29.34
62	32.36	50.46	4.08	1.93	2.15	17.48	19.63	30.83
63	34.30	52.87	4.09	1.94	2.15	18.24	20.40	32.47
64	36.34	55.43	4.12	1.95	2.17	19.02	21.18	34.25
65	38.52	58.15	4.14	1.96	2.18	19.79	21.97	36.18
66	40.84	60.00	4.15	1.97	2.19	20.88	23.07	36.93
67	43.33	60.00	4.18	1.98	2.20	21.96	24.16	35.84
68	46.00	60.00	4.21	2.00	2.22	22.50	24.72	35.28
69	48.88	60.00	4.25	2.01	2.24	22.50	24.74	35.26
70	52.00	60.00	4.28	2.03	2.25	22.50	24.75	35.25
71	55.37	60.00	4.32	2.05	2.27	22.50	24.77	35.23
72	59.01	60.00	4.37	2.07	2.30	22.50	24.80	35.20
73	62.91	60.00	4.43	2.10	2.33	22.50	24.83	35.17
74	67.10	60.00	4.52	2.14	2.38	22.50	24.88	35.12
75	71.63	60.00	4.63	2.19	2.44	22.50	24.94	35.06
76	76.52	60.00	4.79	2.27	2.52	22.50	25.02	34.98
77	81.84	60.00	5.03	2.38	2.65	22.50	25.15	34.85
78	87.58	60.00	5.51	2.61	2.90	22.50	25.40	34.60
79	93.78	60.00	6.83	3.23	3.59	22.50	26.09	33.91
80	100.43	60.00	8.16	3.87	4.29	22.50	26.79	33.21
81	107.58	60.00	9.47	4.48	4.98	22.50	27.48	32.52
82	115.18	60.00	10.80	5.12	5.68	22.50	28.18	31.82
83	123.28	60.00	12.12	5.74	6.38	22.50	28.88	31.12
84	131.96	60.00	13.45	6.37	7.08	22.50	29.58	30.42
85	141.21	60.00	14.77	7.00	7.77	22.50	30.27	29.73

Table 2

UNISEX PREFERRED NONTOBACCO

ISSUE AGE	(1) NET LEVEL ANNUAL PREMIUM	(2) MAXIMUM FIRST YEAR EXPENSE ALLOWANCE	(3) FIRST YEAR EXPENSE CHARGE	(4) AVERAGE RENEWAL EXPENSE CHARGE	(5) (2) + (3) INITIAL ACQUIS EXPENSE CHARGE	(6) MAXIMUM SURRENDER CHARGE	(7) (4) + (5) TOTAL CHARGES	(8) (1) - (6) UNUSED EXPENSE ALLOWANCE
0	1.63	12.04	3.85	1.82	2.03	2.16	4.19	7.85
1	1.67	12.09	3.85	1.82	2.03	2.30	4.32	7.77
2	1.73	12.16	3.85	1.82	2.03	2.42	4.45	7.72
3	1.80	12.25	3.85	1.82	2.03	2.56	4.58	7.67
4	1.88	12.36	3.85	1.82	2.03	2.68	4.71	7.65
5	1.97	12.46	3.85	1.82	2.03	2.82	4.84	7.62
6	2.06	12.58	3.85	1.82	2.03	2.94	4.97	7.61
7	2.16	12.70	3.85	1.82	2.03	3.08	5.11	7.60
8	2.26	12.83	3.85	1.82	2.03	3.20	5.23	7.60
9	2.37	12.97	3.85	1.82	2.03	3.34	5.37	7.60
10	2.49	13.11	3.85	1.82	2.03	3.47	5.49	7.61
11	2.61	13.26	3.85	1.82	2.03	3.60	5.63	7.63
12	2.73	13.41	3.85	1.82	2.03	3.73	5.75	7.66
13	2.86	13.57	3.85	1.82	2.03	3.86	5.89	7.68
14	2.99	13.74	3.85	1.82	2.03	3.99	6.01	7.73
15	3.13	13.91	3.85	1.82	2.03	4.12	6.15	7.76
16	3.27	14.08	3.85	1.82	2.03	4.25	6.28	7.81
17	3.41	14.26	3.85	1.82	2.03	4.38	6.41	7.85
18	3.55	14.44	3.85	1.82	2.03	4.51	6.54	7.90
19	3.70	14.63	3.85	1.82	2.03	4.64	6.67	7.95
20	3.86	14.82	3.64	1.72	1.91	3.10	5.01	9.81
21	4.02	15.03	3.64	1.72	1.91	3.22	5.14	9.89
22	4.20	15.24	3.65	1.73	1.92	3.34	5.26	9.99
23	4.38	15.47	3.65	1.73	1.92	3.47	5.39	10.09
24	4.58	15.72	3.65	1.73	1.92	3.58	5.50	10.22
25	4.78	15.98	3.66	1.73	1.93	3.71	5.63	10.34
26	5.00	16.25	3.66	1.73	1.93	3.89	5.81	10.43
27	5.23	16.54	3.66	1.73	1.93	4.07	5.99	10.54
28	5.47	16.84	3.66	1.73	1.93	4.25	6.17	10.66
29	5.72	17.15	3.66	1.73	1.93	4.43	6.35	10.80
30	6.00	17.49	3.67	1.74	1.93	4.61	6.54	10.95
31	6.28	17.86	3.67	1.74	1.93	4.79	6.72	11.13
32	6.59	18.24	3.67	1.74	1.93	4.97	6.90	11.34
33	6.92	18.65	3.67	1.74	1.93	5.15	7.08	11.57
34	7.26	19.08	3.68	1.75	1.94	5.33	7.27	11.81
35	7.63	19.53	3.68	1.75	1.94	5.51	7.45	12.09
36	8.02	20.02	3.68	1.75	1.94	5.77	7.71	12.31
37	8.43	20.53	3.70	1.75	1.95	6.04	7.98	12.55
38	8.86	21.07	3.70	1.75	1.95	6.31	8.25	12.82
39	9.32	21.65	3.71	1.76	1.95	6.58	8.53	13.12
40	9.81	22.26	3.71	1.76	1.95	6.85	8.80	13.46
41	10.32	22.90	3.72	1.76	1.96	7.12	9.08	13.82
42	10.87	23.58	3.72	1.76	1.96	7.38	9.34	14.25
43	11.44	24.31	3.73	1.77	1.96	7.65	9.61	14.69
44	12.05	25.07	3.73	1.77	1.96	7.92	9.88	15.18
45	12.70	25.87	3.74	1.77	1.97	8.19	10.16	15.71

Table 2

UNISEX PREFERRED NONTOBACCO

ISSUE AGE	(1) NET LEVEL ANNUAL PREMIUM	(2) MAXIMUM FIRST YEAR EXPENSE ALLOWANCE	(3) FIRST YEAR EXPENSE CHARGE	(4) AVERAGE RENEWAL EXPENSE CHARGE	(5) (2) + (3) INITIAL ACQUIS EXPENSE CHARGE	(6) MAXIMUM SURRENDER CHARGE	(7) (4) + (5) TOTAL CHARGES	(8) (1) - (6) UNUSED EXPENSE ALLOWANCE
46	13.38	26.72	3.74	1.77	1.97	8.67	10.64	16.09
47	14.10	27.52	3.76	1.78	1.98	9.14	11.12	16.50
48	14.86	28.57	3.76	1.78	1.98	9.62	11.60	16.98
49	15.67	29.59	3.77	1.78	1.98	10.10	12.08	17.51
50	16.54	30.67	3.78	1.79	1.99	10.58	12.56	18.11
51	17.46	31.83	3.79	1.80	2.00	11.05	13.05	18.78
52	18.45	33.06	3.79	1.80	2.00	11.53	13.52	19.53
53	19.49	34.36	3.80	1.80	2.00	12.01	14.01	20.36
54	20.60	35.75	3.82	1.81	2.01	12.48	14.49	21.26
55	21.78	37.22	3.83	1.81	2.01	12.96	14.97	22.25
56	23.02	38.78	4.07	1.93	2.14	13.78	15.92	22.86
57	24.34	40.43	4.08	1.93	2.15	14.60	16.75	23.68
58	25.74	42.18	4.09	1.94	2.15	15.41	17.56	24.62
59	27.24	44.05	4.10	1.94	2.16	16.23	18.39	25.66
60	28.84	46.05	4.12	1.95	2.17	17.05	19.21	26.83
61	30.55	48.18	4.13	1.96	2.17	17.93	20.10	28.08
62	32.36	50.46	4.14	1.96	2.18	18.80	20.98	29.48
63	34.30	52.87	4.16	1.97	2.19	19.68	21.87	30.99
64	36.34	55.43	4.18	1.98	2.20	20.56	22.75	32.68
65	38.52	58.15	4.20	1.99	2.21	21.44	23.65	34.51
66	40.84	60.00	4.22	2.00	2.22	22.50	24.72	35.28
67	43.33	60.00	4.25	2.01	2.24	22.50	24.74	35.26
68	46.00	60.00	4.28	2.03	2.25	22.50	24.75	35.25
69	48.88	60.00	4.32	2.05	2.27	22.50	24.77	35.23
70	52.00	60.00	4.36	2.06	2.29	22.50	24.79	35.21
71	55.37	60.00	4.39	2.08	2.31	22.50	24.81	35.19
72	59.01	60.00	4.45	2.11	2.34	22.50	24.84	35.16
73	62.91	60.00	4.52	2.14	2.38	22.50	24.88	35.12
74	67.10	60.00	4.61	2.18	2.43	22.50	24.93	35.07
75	71.63	60.00	4.73	2.24	2.49	22.50	24.99	35.01
76	76.52	60.00	4.90	2.32	2.58	22.50	25.08	34.92
77	81.84	60.00	5.16	2.44	2.72	22.50	25.22	34.78
78	87.58	60.00	5.68	2.69	2.99	22.50	25.49	34.51
79	93.78	60.00	7.09	3.36	3.73	22.50	26.23	33.77
80	100.43	60.00	8.52	4.04	4.48	22.50	26.98	33.02
81	107.58	60.00	9.94	4.71	5.23	22.50	27.73	32.27
82	115.18	60.00	11.36	5.38	5.98	22.50	28.48	31.52
83	123.28	60.00	12.78	6.05	6.73	22.50	29.23	30.77
84	131.96	60.00	14.21	6.73	7.48	22.50	29.98	30.02
85	141.21	60.00	15.64	7.41	8.23	22.50	30.73	29.27

Table 2

UNISEX NONTOBACCO		(1)	(2)	(3)	(4)	(5)	(6)	(7)
					(2) + (3)		(4) + (5)	(1) - (6)
ISSUE AGE	NET LEVEL ANNUAL PREMIUM	MAXIMUM FIRST YEAR EXPENSE ALLOWANCE	FIRST YEAR EXPENSE CHARGE	AVERAGE RENEWAL EXPENSE CHARGE	INITIAL ACQUIS EXPENSE CHARGE	MAXIMUM SURRENDER CHARGE	TOTAL CHARGES	UNUSED EXPENSE ALLOWANCE
0	1.63	12.04	3.85	1.82	2.03	2.16	4.19	7.85
1	1.67	12.09	3.85	1.82	2.03	2.30	4.32	7.77
2	1.73	12.16	3.85	1.82	2.03	2.42	4.45	7.72
3	1.80	12.25	3.85	1.82	2.03	2.56	4.58	7.67
4	1.88	12.36	3.85	1.82	2.03	2.68	4.71	7.65
5	1.97	12.46	3.85	1.82	2.03	2.82	4.84	7.62
6	2.06	12.58	3.85	1.82	2.03	2.94	4.97	7.61
7	2.16	12.70	3.85	1.82	2.03	3.08	5.11	7.60
8	2.26	12.83	3.85	1.82	2.03	3.20	5.23	7.60
9	2.37	12.97	3.85	1.82	2.03	3.34	5.37	7.60
10	2.49	13.11	3.85	1.82	2.03	3.47	5.49	7.61
11	2.61	13.26	3.85	1.82	2.03	3.60	5.63	7.63
12	2.73	13.41	3.85	1.82	2.03	3.73	5.75	7.66
13	2.86	13.57	3.85	1.82	2.03	3.86	5.89	7.68
14	2.99	13.74	3.85	1.82	2.03	3.99	6.01	7.73
15	3.13	13.91	3.85	1.82	2.03	4.12	6.15	7.76
16	3.27	14.08	3.85	1.82	2.03	4.25	6.28	7.81
17	3.41	14.26	3.85	1.82	2.03	4.38	6.41	7.85
18	3.55	14.44	3.85	1.82	2.03	4.51	6.54	7.90
19	3.70	14.63	3.85	1.82	2.03	4.64	6.67	7.95
20	3.86	14.82	3.64	1.72	1.91	3.59	5.50	9.31
21	4.02	15.03	3.64	1.72	1.91	3.74	5.65	9.38
22	4.20	15.24	3.65	1.73	1.92	3.88	5.80	9.45
23	4.38	15.47	3.65	1.73	1.92	4.01	5.93	9.54
24	4.58	15.72	3.65	1.73	1.92	4.16	6.08	9.64
25	4.78	15.98	3.66	1.73	1.93	4.30	6.23	9.75
26	5.00	16.25	3.66	1.73	1.93	4.51	6.44	9.81
27	5.23	16.54	3.66	1.73	1.93	4.71	6.63	9.90
28	5.47	16.84	3.66	1.73	1.93	4.91	6.84	10.00
29	5.72	17.15	3.67	1.74	1.93	5.11	7.04	10.11
30	6.00	17.49	3.67	1.74	1.93	5.32	7.25	10.24
31	6.28	17.86	3.67	1.74	1.93	5.53	7.46	10.40
32	6.59	18.24	3.68	1.75	1.94	5.72	7.66	10.58
33	6.92	18.65	3.68	1.75	1.94	5.93	7.87	10.78
34	7.26	19.08	3.70	1.75	1.95	6.13	8.07	11.00
35	7.63	19.53	3.70	1.75	1.95	6.34	8.28	11.25
36	8.02	20.02	3.70	1.75	1.95	6.67	8.61	11.41
37	8.43	20.53	3.71	1.76	1.95	7.00	8.95	11.58
38	8.86	21.07	3.71	1.76	1.95	7.33	9.28	11.80
39	9.32	21.65	3.72	1.76	1.96	7.66	9.62	12.03
40	9.81	22.26	3.72	1.76	1.96	7.99	9.95	12.31
41	10.32	22.90	3.72	1.76	1.96	8.33	10.28	12.62
42	10.87	23.58	3.73	1.77	1.96	8.66	10.62	12.96
43	11.44	24.31	3.73	1.77	1.96	8.98	10.95	13.36
44	12.05	25.07	3.73	1.77	1.96	9.32	11.28	13.79
45	12.70	25.87	3.74	1.77	1.97	9.65	11.62	14.25

Table 2

UNISEX NONTOBACCO		(1)	(2)	(3)	(4)	(5)	(6)	(7)
					(2) + (3)		(4) + (5)	(1) - (6)
ISSUE	NET LEVEL	MAXIMUM	FIRST	AVERAGE	INITIAL	MAXIMUM	TOTAL	UNUSED
AGE	ANNUAL	FIRST YEAR	YEAR	RENEWAL	ACQUIS	SURRENDER	CHARGES	EXPENSE
	PREMIUM	EXPENSE	EXPENSE	EXPENSE	EXPENSE	CHARGE *		ALLOWANCE
		ALLOWANCE	CHARGE	CHARGE	CHARGE			
46	13.38	26.72	3.74	1.77	1.97	10.28	12.25	14.47
47	14.10	27.62	3.76	1.78	1.98	10.91	12.88	14.74
48	14.86	28.57	3.76	1.78	1.98	11.53	13.51	15.07
49	15.67	29.59	3.77	1.78	1.98	12.16	14.14	15.45
50	16.54	30.67	3.78	1.79	1.99	12.79	14.78	15.90
51	17.46	31.83	3.79	1.80	2.00	13.42	15.41	16.41
52	18.45	33.06	3.79	1.80	2.00	14.05	16.04	17.01
53	19.49	34.36	3.80	1.80	2.00	14.67	16.67	17.69
54	20.60	35.75	3.82	1.81	2.01	15.30	17.31	18.44
55	21.78	37.22	3.83	1.81	2.01	15.93	17.94	19.28
56	23.02	38.78	4.07	1.93	2.14	16.84	18.98	19.80
57	24.34	40.43	4.08	1.93	2.15	17.74	19.89	20.54
58	25.74	42.18	4.09	1.94	2.15	18.65	20.80	21.38
59	27.24	44.05	4.10	1.94	2.16	19.56	21.72	22.33
60	28.84	46.05	4.13	1.96	2.17	20.46	22.63	23.42
61	30.55	48.18	4.14	1.96	2.18	21.48	23.66	24.52
62	32.36	50.46	4.16	1.97	2.19	22.50	24.69	25.76
63	34.30	52.87	4.18	1.98	2.20	22.50	24.70	28.17
64	36.34	55.43	4.20	1.99	2.21	22.50	24.71	30.72
65	38.52	58.15	4.21	2.00	2.22	22.50	24.72	33.44
66	40.84	60.00	4.33	2.05	2.28	22.50	24.78	35.22
67	43.33	60.00	4.37	2.07	2.30	22.50	24.80	35.20
68	46.00	60.00	4.40	2.09	2.32	22.50	24.82	35.18
69	48.88	60.00	4.44	2.10	2.34	22.50	24.84	35.16
70	52.00	60.00	4.48	2.12	2.36	22.50	24.86	35.14
71	55.37	60.00	4.54	2.15	2.39	22.50	24.89	35.11
72	59.01	60.00	4.60	2.18	2.42	22.50	24.92	35.08
73	62.91	60.00	4.67	2.21	2.46	22.50	24.96	35.04
74	67.10	60.00	4.78	2.26	2.51	22.50	25.01	34.99
75	71.63	60.00	4.90	2.32	2.58	22.50	25.08	34.92
76	76.52	60.00	5.09	2.41	2.68	22.50	25.18	34.82
77	81.84	60.00	5.39	2.55	2.84	22.50	25.34	34.66
78	87.58	60.00	5.95	2.82	3.13	22.50	25.63	34.37
79	93.78	60.00	7.54	3.57	3.97	22.50	26.47	33.53
80	100.43	60.00	9.12	4.32	4.80	22.50	27.30	32.70
81	107.58	60.00	10.72	5.08	5.64	22.50	28.14	31.86
82	115.18	60.00	12.30	5.83	6.47	22.50	28.97	31.03
83	123.28	60.00	13.88	6.58	7.31	22.50	29.81	30.19
84	131.96	60.00	15.47	7.33	8.14	22.50	30.64	29.36
85	141.21	60.00	17.05	8.08	8.97	22.50	31.47	28.53

Table 2

UNISEX PREFERRED TOBACCO

ISSUE AGE	NET LEVEL ANNUAL PREMIUM	(1) MAXIMUM FIRST YEAR EXPENSE ALLOWANCE	(2) FIRST YEAR EXPENSE CHARGE	(3) AVERAGE RENEWAL EXPENSE CHARGE	(4) (2) + (3) INITIAL ACQUIS EXPENSE CHARGE	(5) MAXIMUM SURRENDER CHARGE	(6) (4) + (5) TOTAL CHARGES	(7) (1) - (6) UNUSED EXPENSE ALLOWANCE
0	2.08	12.60	3.85	1.82	2.03	2.16	4.19	8.42
1	2.15	12.69	3.85	1.82	2.03	2.30	4.32	8.36
2	2.24	12.80	3.85	1.82	2.03	2.42	4.45	8.35
3	2.34	12.92	3.85	1.82	2.03	2.56	4.58	8.34
4	2.45	13.06	3.85	1.82	2.03	2.68	4.71	8.35
5	2.56	13.20	3.85	1.82	2.03	2.82	4.84	8.36
6	2.69	13.36	3.85	1.82	2.03	2.94	4.97	8.39
7	2.82	13.53	3.85	1.82	2.03	3.08	5.11	8.42
8	2.96	13.70	3.85	1.82	2.03	3.20	5.23	8.47
9	3.11	13.88	3.85	1.82	2.03	3.34	5.37	8.52
10	3.26	14.08	3.85	1.82	2.03	3.47	5.49	8.58
11	3.42	14.28	3.85	1.82	2.03	3.60	5.63	8.65
12	3.59	14.49	3.85	1.82	2.03	3.73	5.75	8.74
13	3.77	14.71	3.85	1.82	2.03	3.86	5.89	8.83
14	3.96	14.95	3.85	1.82	2.03	3.99	6.01	8.93
15	4.15	15.19	3.85	1.82	2.03	4.12	6.15	9.04
16	4.35	15.43	3.85	1.82	2.03	4.25	6.28	9.16
17	4.55	15.69	3.85	1.82	2.03	4.38	6.41	9.28
18	4.76	15.95	3.85	1.82	2.03	4.51	6.54	9.41
19	4.98	16.22	3.85	1.82	2.03	4.64	6.67	9.55
20	5.21	16.51	3.84	1.82	2.02	4.19	6.21	10.30
21	5.44	16.80	3.84	1.82	2.02	4.48	6.50	10.30
22	5.68	17.10	3.84	1.82	2.02	4.78	6.80	10.30
23	5.93	17.42	3.85	1.82	2.03	5.08	7.10	10.31
24	6.20	17.75	3.85	1.82	2.03	5.37	7.40	10.35
25	6.48	18.10	3.86	1.83	2.03	5.67	7.70	10.39
26	6.77	18.46	3.86	1.83	2.03	5.95	7.98	10.48
27	7.07	18.84	3.86	1.83	2.03	6.23	8.26	10.58
28	7.39	19.24	3.88	1.84	2.04	6.51	8.55	10.69
29	7.73	19.66	3.88	1.84	2.04	6.79	8.83	10.84
30	8.09	20.12	3.89	1.84	2.05	7.07	9.11	11.00
31	8.48	20.60	3.89	1.84	2.05	7.34	9.39	11.21
32	8.89	21.11	3.90	1.85	2.05	7.62	9.68	11.43
33	9.32	21.65	3.90	1.85	2.05	7.90	9.95	11.70
34	9.78	22.23	3.90	1.85	2.05	8.18	10.23	12.00
35	10.27	22.84	3.91	1.85	2.06	8.46	10.52	12.32
36	10.79	23.49	3.91	1.85	2.06	8.96	11.01	12.48
37	11.34	24.18	3.92	1.86	2.07	9.44	11.51	12.67
38	11.93	24.91	3.92	1.86	2.07	9.94	12.00	12.91
39	12.54	25.68	3.94	1.86	2.07	10.42	12.49	13.19
40	13.20	26.50	3.94	1.86	2.07	10.92	12.99	13.51
41	13.89	27.36	3.95	1.87	2.08	11.41	13.49	13.87
42	14.62	28.27	3.95	1.87	2.08	11.90	13.98	14.30
43	15.39	29.24	3.95	1.87	2.08	12.39	14.47	14.77
44	16.20	30.25	3.96	1.88	2.08	12.88	14.96	15.29
45	17.06	31.32	3.96	1.88	2.08	13.37	15.46	15.86

Table 2

UNISEX PREFERRED TOBACCO								
ISSUE AGE	NET LEVEL ANNUAL PREMIUM	(1)	(2)	(3)	(4)	(5)	(6)	(7)
		MAXIMUM FIRST YEAR EXPENSE ALLOWANCE	FIRST YEAR EXPENSE CHARGE	AVERAGE RENEWAL EXPENSE CHARGE	(2) + (3) INITIAL ACQUIS EXPENSE CHARGE	MAXIMUM SURRENDER CHARGE	(4) + (5) TOTAL CHARGES	(1) - (6) UNUSED EXPENSE ALLOWANCE
46	17.95	32.44	3.97	1.88	2.09	14.18	16.27	16.17
47	18.90	33.62	3.98	1.89	2.10	15.00	17.10	16.52
48	19.90	34.87	4.00	1.89	2.10	15.81	17.92	16.96
49	20.96	36.21	4.00	1.89	2.10	16.63	18.74	17.47
50	22.10	37.63	4.01	1.90	2.11	17.44	19.55	18.08
51	23.31	39.14	4.02	1.90	2.12	18.25	20.37	18.77
52	24.60	40.75	4.03	1.91	2.12	19.07	21.19	19.56
53	25.96	42.45	4.04	1.92	2.13	19.88	22.01	20.44
54	27.40	44.25	4.06	1.92	2.13	20.70	22.83	21.41
55	28.91	46.14	4.07	1.93	2.14	21.51	23.65	22.49
56	30.49	48.12	4.32	2.05	2.27	22.50	24.77	23.34
57	32.16	50.20	4.33	2.05	2.28	22.50	24.78	25.42
58	33.92	52.40	4.36	2.06	2.29	22.50	24.79	27.60
59	35.79	54.74	4.36	2.06	2.29	22.50	24.79	29.94
60	37.78	57.23	4.38	2.07	2.31	22.50	24.81	32.42
61	39.90	59.88	4.39	2.08	2.31	22.50	24.81	35.07
62	42.14	60.00	4.42	2.09	2.32	22.50	24.82	35.18
63	44.49	60.00	4.44	2.10	2.34	22.50	24.84	35.16
64	46.95	60.00	4.46	2.11	2.35	22.50	24.85	35.15
65	49.54	60.00	4.50	2.13	2.37	22.50	24.87	35.13
66	52.27	60.00	4.52	2.14	2.38	22.50	24.88	35.12
67	55.17	60.00	4.55	2.15	2.39	22.50	24.89	35.11
68	58.28	60.00	4.60	2.18	2.42	22.50	24.92	35.08
69	61.63	60.00	4.64	2.20	2.44	22.50	24.94	35.06
70	65.25	60.00	4.69	2.22	2.47	22.50	24.97	35.03
71	69.15	60.00	4.74	2.25	2.49	22.50	24.99	35.01
72	73.37	60.00	4.82	2.29	2.54	22.50	25.04	34.96
73	77.85	60.00	4.91	2.32	2.58	22.50	25.08	34.92
74	82.65	60.00	5.03	2.38	2.65	22.50	25.15	34.85
75	87.83	60.00	5.18	2.46	2.73	22.50	25.23	34.77
76	93.40	60.00	5.40	2.56	2.84	22.50	25.34	34.66
77	99.42	60.00	5.74	2.72	3.02	22.50	25.52	34.48
78	105.91	60.00	6.41	3.04	3.37	22.50	25.87	34.13
79	112.85	60.00	8.26	3.91	4.35	22.50	26.85	33.15
80	120.24	60.00	10.09	4.78	5.31	22.50	27.81	32.19
81	128.12	60.00	11.94	5.66	6.28	22.50	28.78	31.22
82	136.39	60.00	13.80	6.54	7.26	22.50	29.76	30.24
83	145.13	60.00	15.65	7.41	8.24	22.50	30.74	29.26
84	154.42	60.00	17.50	8.29	9.21	22.50	31.71	28.29
85	164.27	60.00	19.33	9.16	10.17	22.50	32.67	27.33

Table 2

UNISEX TOBACCO

ISSUE AGE	NET LEVEL ANNUAL PREMIUM	(1) MAXIMUM FIRST YEAR EXPENSE ALLOWANCE	(2) FIRST YEAR EXPENSE CHARGE	(3) AVERAGE RENEWAL EXPENSE CHARGE	(4) (2) + (3) INITIAL ACQUIS EXPENSE CHARGE	(5) MAXIMUM SURRENDER CHARGE	(6) (4) + (5) TOTAL CHARGES	(7) (1) - (6) UNUSED EXPENSE ALLOWANCE
0	2.08	12.60	3.85	1.82	2.03	2.16	4.19	8.42
1	2.15	12.69	3.85	1.82	2.03	2.30	4.32	8.36
2	2.24	12.80	3.85	1.82	2.03	2.42	4.45	8.35
3	2.34	12.92	3.85	1.82	2.03	2.56	4.58	8.34
4	2.45	13.06	3.85	1.82	2.03	2.68	4.71	8.35
5	2.56	13.20	3.85	1.82	2.03	2.82	4.84	8.36
6	2.69	13.36	3.85	1.82	2.03	2.94	4.97	8.39
7	2.82	13.53	3.85	1.82	2.03	3.08	5.11	8.42
8	2.96	13.70	3.85	1.82	2.03	3.20	5.23	8.47
9	3.11	13.88	3.85	1.82	2.03	3.34	5.37	8.52
10	3.26	14.08	3.85	1.82	2.03	3.47	5.49	8.58
11	3.42	14.28	3.85	1.82	2.03	3.60	5.63	8.65
12	3.59	14.49	3.85	1.82	2.03	3.73	5.75	8.74
13	3.77	14.71	3.85	1.82	2.03	3.86	5.89	8.83
14	3.96	14.95	3.85	1.82	2.03	3.99	6.01	8.93
15	4.15	15.19	3.85	1.82	2.03	4.12	6.15	9.04
16	4.35	15.43	3.85	1.82	2.03	4.25	6.28	9.16
17	4.55	15.69	3.85	1.82	2.03	4.38	6.41	9.28
18	4.76	15.95	3.85	1.82	2.03	4.51	6.54	9.41
19	4.98	16.22	3.85	1.82	2.03	4.64	6.67	9.55
20	5.21	16.51	3.85	1.82	2.03	4.77	6.80	9.71
21	5.44	16.80	3.85	1.82	2.03	5.05	7.08	9.72
22	5.68	17.10	3.85	1.82	2.03	5.33	7.36	9.74
23	5.93	17.42	3.86	1.83	2.03	5.60	7.63	9.78
24	6.20	17.75	3.86	1.83	2.03	5.88	7.91	9.84
25	6.48	18.10	3.88	1.84	2.04	6.16	8.20	9.90
26	6.77	18.46	3.88	1.84	2.04	6.50	8.54	9.92
27	7.07	18.84	3.88	1.84	2.04	6.83	8.87	9.97
28	7.39	19.24	3.89	1.84	2.05	7.17	9.22	10.02
29	7.73	19.66	3.89	1.84	2.05	7.51	9.55	10.11
30	8.09	20.12	3.90	1.85	2.05	7.85	9.90	10.22
31	8.48	20.60	3.90	1.85	2.05	8.18	10.23	10.36
32	8.89	21.11	3.91	1.85	2.06	8.52	10.58	10.53
33	9.32	21.65	3.91	1.85	2.06	8.86	10.91	10.74
34	9.78	22.23	3.92	1.86	2.07	9.20	11.26	10.97
35	10.27	22.84	3.92	1.86	2.07	9.53	11.60	11.25
36	10.79	23.49	3.94	1.86	2.07	10.13	12.20	11.30
37	11.34	24.18	3.94	1.86	2.07	10.72	12.79	11.39
38	11.93	24.91	3.95	1.87	2.08	11.32	13.40	11.51
39	12.54	25.68	3.95	1.87	2.08	11.92	13.99	11.69
40	13.20	26.50	3.96	1.88	2.08	12.51	14.59	11.90
41	13.89	27.36	3.97	1.88	2.09	13.10	15.19	12.17
42	14.62	28.27	3.97	1.88	2.09	13.70	15.79	12.49
43	15.39	29.24	3.98	1.89	2.10	14.30	16.40	12.84
44	16.20	30.25	3.98	1.89	2.10	14.90	16.99	13.26
45	17.06	31.32	4.00	1.89	2.10	15.49	17.59	13.73

Table 2

UNISEX TOBACCO

ISSUE AGE	NET LEVEL ANNUAL PREMIUM	(1) MAXIMUM FIRST YEAR EXPENSE ALLOWANCE	(2) FIRST YEAR EXPENSE CHARGE	(3) AVERAGE RENEWAL EXPENSE CHARGE	(4) (2) + (3) INITIAL ACQUIS EXPENSE CHARGE	(5) MAXIMUM SURRENDER CHARGE	(6) (4) + (5) TOTAL CHARGES	(7) (1) - (6) UNUSED EXPENSE ALLOWANCE
46	17.95	32.44	4.00	1.89	2.10	16.41	18.51	13.93
47	18.90	33.62	4.01	1.90	2.11	17.33	19.43	14.19
48	19.90	34.87	4.02	1.90	2.12	18.24	20.36	14.51
49	20.96	36.21	4.03	1.91	2.12	19.16	21.28	14.92
50	22.10	37.63	4.04	1.92	2.13	20.09	22.22	15.41
51	23.31	39.14	4.04	1.92	2.13	21.01	23.13	16.01
52	24.60	40.75	4.07	1.93	2.14	21.92	24.07	16.69
53	25.96	42.45	4.08	1.93	2.15	22.50	24.65	17.80
54	27.40	44.25	4.09	1.94	2.15	22.50	24.65	19.59
55	28.91	46.14	4.10	1.94	2.16	22.50	24.66	21.48
56	30.49	48.12	4.45	2.11	2.34	22.50	24.84	23.28
57	32.16	50.20	4.48	2.12	2.36	22.50	24.86	25.35
58	33.92	52.40	4.49	2.13	2.36	22.50	24.86	27.53
59	35.79	54.74	4.50	2.13	2.37	22.50	24.87	29.87
60	37.78	57.23	4.52	2.14	2.38	22.50	24.88	32.35
61	39.90	59.88	4.54	2.15	2.39	22.50	24.89	34.99
62	42.14	60.00	4.56	2.16	2.40	22.50	24.90	35.10
63	44.49	60.00	4.60	2.18	2.42	22.50	24.92	35.08
64	46.95	60.00	4.62	2.19	2.43	22.50	24.93	35.07
65	49.54	60.00	4.64	2.20	2.44	22.50	24.94	35.06
66	52.27	60.00	4.68	2.22	2.46	22.50	24.96	35.04
67	55.17	60.00	4.72	2.23	2.48	22.50	24.98	35.02
68	58.28	60.00	4.76	2.26	2.51	22.50	25.01	34.99
69	61.63	60.00	4.81	2.28	2.53	22.50	25.03	34.97
70	65.25	60.00	4.86	2.30	2.56	22.50	25.06	34.94
71	69.15	60.00	4.93	2.34	2.60	22.50	25.10	34.90
72	73.37	60.00	5.02	2.38	2.64	22.50	25.14	34.86
73	77.85	60.00	5.12	2.43	2.70	22.50	25.20	34.80
74	82.65	60.00	5.24	2.48	2.76	22.50	25.26	34.74
75	87.83	60.00	5.42	2.57	2.85	22.50	25.35	34.65
76	93.40	60.00	5.66	2.68	2.98	22.50	25.48	34.52
77	99.42	60.00	6.05	2.86	3.18	22.50	25.68	34.32
78	105.91	60.00	6.79	3.22	3.57	22.50	26.07	33.93
79	112.85	60.00	8.87	4.20	4.67	22.50	27.17	32.83
80	120.24	60.00	10.96	5.19	5.77	22.50	28.27	31.73
81	128.12	60.00	13.02	6.17	6.85	22.50	29.35	30.65
82	136.39	60.00	15.11	7.16	7.95	22.50	30.45	29.55
83	145.13	60.00	17.17	8.13	9.04	22.50	31.54	28.46
84	154.42	60.00	19.26	9.12	10.14	22.50	32.64	27.36
85	164.27	60.00	21.34	10.11	11.23	22.50	33.73	26.27

Table 3

Age: 20 Unisex Nontobacco

Initial Expense Allowance: 14.82
 Total Initial Acquisition Exp Chg: 1.91

Policy Year	Attained Age	Unamortized and Unused Expense Allowance		Surrender Charge
		New Issue	Increase	
1	20	12.91	12.91	3.59
2	21	12.86	12.86	3.23
3	22	12.82	12.82	2.98
4	23	12.78	12.78	2.73
5	24	12.73	12.73	2.48
6	25	12.68	12.68	2.23
7	26	12.62	12.62	1.98
8	27	12.57	12.57	1.72
9	28	12.51	12.51	1.47
10	29	12.45	12.45	1.22
11	30	12.39	12.39	0.97
12	31	12.32	12.32	0.72
13	32	12.25	12.25	0.47
14	33	12.18	12.18	0.22
15	34	12.10	12.10	-
16	35	12.02	12.02	
21	40	11.57	11.57	
26	45	11.01	11.01	
31	50	10.35	10.35	
36	55	9.57	9.57	
41	60	8.69	8.69	
46	65	7.71	7.71	
51	70	6.67	6.67	
56	75	5.57	5.57	
61	80	4.49	4.49	
66	85	3.52	3.52	
71	90	2.75	2.75	
76	95	2.15	2.15	
81	100	1.73	1.73	
86	105	1.34	1.34	
91	110	1.02	1.02	
96	115	0.80	0.80	
97	116	0.76	0.76	
98	117	0.72	0.72	
99	118	0.69	0.69	
100	119	0.66	0.66	
101	120	-	-	

Table 3

Age: 35 Unisex Nontobacco

Initial Expense Allowance: 19.53

Total Initial Acquisition Exp Chg: 1.95

Policy Year	Attained Age	Unamortized and Unused Expense Allowance		Surrender Charge
		New Issue	Increase	
1	35	17.59	17.59	6.34
2	36	17.47	17.47	5.70
3	37	17.34	17.34	5.26
4	38	17.21	17.21	4.82
5	39	17.07	17.07	4.37
6	40	16.92	16.92	3.93
7	41	16.77	16.77	3.48
8	42	16.62	16.62	3.04
9	43	16.45	16.45	2.60
10	44	16.29	16.29	2.15
11	45	16.11	16.11	1.71
12	46	15.93	15.93	1.27
13	47	15.75	15.75	0.82
14	48	15.55	15.55	0.38
15	49	15.35	15.35	-
16	50	15.15	15.15	
21	55	14.00	14.00	
26	60	12.71	12.71	
31	65	11.28	11.28	
36	70	9.75	9.75	
41	75	8.15	8.15	
46	80	6.56	6.56	
51	85	5.15	5.15	
56	90	4.02	4.02	
61	95	3.15	3.15	
66	100	2.53	2.53	
71	105	1.96	1.96	
76	110	1.50	1.50	
81	115	1.17	1.17	
82	116	1.11	1.11	
83	117	1.05	1.05	
84	118	1.00	1.00	
85	119	0.97	0.97	
86	120	-	-	

Table 3

Age: 65 Unisex Nontobacco

Initial Expense Allowance: 58.15

Total Initial Acquisition Exp Chg: 2.22

Policy Year	Attained Age	Unamortized and Unused Expense Allowance		Surrender Charge
		New Issue	Increase	
1	65	55.94	55.94	22.50
2	66	54.47	54.47	20.25
3	67	52.98	52.98	18.68
4	68	51.47	51.47	17.10
5	69	49.93	49.93	15.53
6	70	48.37	48.37	13.95
7	71	46.79	46.79	12.38
8	72	45.19	45.19	10.80
9	73	43.59	43.59	9.23
10	74	42.00	42.00	7.65
11	75	40.41	40.41	6.08
12	76	38.81	38.81	4.50
13	77	37.22	37.22	2.93
14	78	35.64	35.64	1.35
15	79	34.08	34.08	-
16	80	32.55	32.55	
21	85	25.52	25.52	
26	90	19.92	19.92	
31	95	15.61	15.61	
36	100	12.56	12.56	
41	105	9.72	9.72	
46	110	7.42	7.42	
51	115	5.78	5.78	
52	116	5.50	5.50	
53	117	5.22	5.22	
54	118	4.98	4.98	
55	119	4.82	4.82	
56	120	-	-	

Table 3

Age: 85 Unisex Nontobacco

Initial Expense Allowance: 60.00
 Total Initial Acquisition Exp Chg: 8.97

Policy Year	Attained Age	Unamortized and Unused Expense Allowance		Surrender Charge
		New Issue	Increase	
1	85	51.03	51.03	22.50
2	86	48.51	48.51	20.25
3	87	46.10	46.10	18.68
4	88	43.85	43.85	17.10
5	89	41.76	41.76	15.53
6	90	39.83	39.83	13.95
7	91	38.04	38.04	12.38
8	92	36.25	36.25	10.80
9	93	34.49	34.49	9.23
10	94	32.80	32.80	7.65
11	95	31.21	31.21	6.08
12	96	29.81	29.81	4.50
13	97	28.55	28.55	2.93
14	98	27.48	27.48	1.35
15	99	26.31	26.31	-
16	100	25.12	25.12	
21	105	19.43	19.43	
26	110	14.83	14.83	
27	111	14.11	14.11	
28	112	13.45	13.45	
29	113	12.84	12.84	
30	114	12.16	12.16	
31	115	11.56	11.56	
32	116	10.99	10.99	
33	117	10.43	10.43	
34	118	9.95	9.95	
35	119	9.63	9.63	
36	120	-	-	

Table 4 - Form FL-08(U)
Flexible Premium Adjustable Life
Maximum Surrender Charge Premiums

<u>Issue Age</u>	<u>Preferred Plus NT</u>	<u>Preferred NT</u>	<u>Nontobacco</u>	<u>Preferred Tobacco</u>	<u>Tobacco</u>
0	2.40	2.40	2.40	2.40	2.40
1	2.55	2.55	2.55	2.55	2.55
2	2.69	2.69	2.69	2.69	2.69
3	2.84	2.84	2.84	2.84	2.84
4	2.98	2.98	2.98	2.98	2.98
5	3.13	3.13	3.13	3.13	3.13
6	3.27	3.27	3.27	3.27	3.27
7	3.42	3.42	3.42	3.42	3.42
8	3.56	3.56	3.56	3.56	3.56
9	3.71	3.71	3.71	3.71	3.71
10	3.85	3.85	3.85	3.85	3.85
11	4.00	4.00	4.00	4.00	4.00
12	4.14	4.14	4.14	4.14	4.14
13	4.29	4.29	4.29	4.29	4.29
14	4.43	4.43	4.43	4.43	4.43
15	4.58	4.58	4.58	4.58	4.58
16	4.72	4.72	4.72	4.72	4.72
17	4.87	4.87	4.87	4.87	4.87
18	5.01	5.01	5.01	5.01	5.01
19	5.16	5.16	5.16	5.16	5.16
20	3.21	3.44	3.99	4.65	5.30
21	3.34	3.58	4.15	4.98	5.61
22	3.46	3.71	4.31	5.31	5.92
23	3.59	3.85	4.46	5.64	6.22
24	3.71	3.98	4.62	5.97	6.53
25	3.84	4.12	4.78	6.30	6.84
26	4.04	4.32	5.01	6.61	7.22
27	4.24	4.52	5.23	6.92	7.59
28	4.45	4.72	5.46	7.23	7.97
29	4.65	4.92	5.68	7.54	8.34
30	4.85	5.12	5.91	7.85	8.72
31	5.05	5.32	6.14	8.16	9.09
32	5.25	5.52	6.36	8.47	9.47
33	5.46	5.72	6.59	8.78	9.84
34	5.66	5.92	6.81	9.09	10.22
35	5.86	6.12	7.04	9.40	10.59
36	6.14	6.41	7.41	9.95	11.25
37	6.42	6.71	7.78	10.49	11.91
38	6.70	7.01	8.14	11.04	12.58
39	6.98	7.31	8.51	11.58	13.24
40	7.26	7.61	8.88	12.13	13.90
41	7.54	7.91	9.25	12.68	14.56
42	7.82	8.20	9.62	13.22	15.22
43	8.10	8.50	9.98	13.77	15.89
44	8.38	8.80	10.35	14.31	16.55
45	8.66	9.10	10.72	14.86	17.21

Table 4 - Form FL-08(U)
Flexible Premium Adjustable Life
Maximum Surrender Charge Premiums

<u>Issue Age</u>	<u>Preferred Plus NT</u>	<u>Preferred NT</u>	<u>Nontobacco</u>	<u>Preferred Tobacco</u>	<u>Tobacco</u>
46	9.18	9.63	11.42	15.76	18.23
47	9.70	10.16	12.12	16.67	19.25
48	10.23	10.69	12.81	17.57	20.27
49	10.75	11.22	13.51	18.48	21.29
50	11.28	11.75	14.21	19.38	22.32
51	11.80	12.28	14.91	20.28	23.34
52	12.33	12.81	15.61	21.19	24.36
53	12.85	13.34	16.30	22.09	25.38
54	13.38	13.87	17.00	23.00	26.40
55	13.90	14.40	17.70	23.90	27.42
56	14.66	15.31	18.71	25.52	28.93
57	15.42	16.22	19.71	27.14	30.44
58	16.18	17.12	20.72	28.76	31.96
59	16.94	18.03	21.73	30.38	33.47
60	17.70	18.94	22.73	32.00	34.98
61	18.56	19.92	23.87	33.08	36.48
62	19.42	20.89	25.00	34.17	37.99
63	20.27	21.87	26.13	35.25	39.49
64	21.13	22.84	27.27	36.34	41.00
65	21.99	23.82	28.40	37.42	42.50
66	23.20	25.23	30.30	39.58	44.78
67	24.40	26.64	32.20	41.73	47.05
68	25.61	28.06	34.10	43.89	49.33
69	26.81	29.47	36.00	46.04	51.60
70	28.02	30.88	37.90	48.20	53.88
71	29.36	32.56	40.05	50.38	56.44
72	30.69	34.24	42.20	52.55	59.00
73	32.03	35.92	44.36	54.73	61.56
74	33.36	37.60	46.51	56.90	64.12
75	34.70	39.28	48.66	59.08	66.68
76	39.30	43.97	52.95	63.29	70.81
77	43.90	48.66	57.25	67.50	74.94
78	48.50	53.36	61.54	71.72	79.08
79	53.10	58.05	65.84	75.93	83.21
80	57.70	62.74	70.13	80.14	87.34
81	62.30	67.43	74.42	84.35	91.47
82	66.90	72.12	78.72	88.56	95.60
83	71.50	76.82	83.01	92.78	99.74
84	76.10	81.51	87.31	96.99	103.87
85	80.70	86.20	91.60	101.20	108.00

Table 5 - Form FL-08(U)
Flexible Premium Adjustable Life
Monthly Per \$1,000
of Specified Amount Charges

Issue Age	Preferred Plus NT	Preferred NT	Nontobacco	Preferred Tobacco	Tobacco
0	0.321	0.321	0.321	0.321	0.321
1	0.321	0.321	0.321	0.321	0.321
2	0.321	0.321	0.321	0.321	0.321
3	0.321	0.321	0.321	0.321	0.321
4	0.321	0.321	0.321	0.321	0.321
5	0.321	0.321	0.321	0.321	0.321
6	0.321	0.321	0.321	0.321	0.321
7	0.321	0.321	0.321	0.321	0.321
8	0.321	0.321	0.321	0.321	0.321
9	0.321	0.321	0.321	0.321	0.321
10	0.321	0.321	0.321	0.321	0.321
11	0.321	0.321	0.321	0.321	0.321
12	0.321	0.321	0.321	0.321	0.321
13	0.321	0.321	0.321	0.321	0.321
14	0.321	0.321	0.321	0.321	0.321
15	0.321	0.321	0.321	0.321	0.321
16	0.321	0.321	0.321	0.321	0.321
17	0.321	0.321	0.321	0.321	0.321
18	0.321	0.321	0.321	0.321	0.321
19	0.321	0.321	0.321	0.321	0.321
20	0.300	0.303	0.303	0.320	0.321
21	0.301	0.303	0.303	0.320	0.321
22	0.301	0.304	0.304	0.320	0.321
23	0.301	0.304	0.304	0.321	0.322
24	0.301	0.304	0.304	0.321	0.322
25	0.301	0.305	0.305	0.322	0.323
26	0.302	0.305	0.305	0.322	0.323
27	0.302	0.305	0.305	0.322	0.323
28	0.302	0.305	0.305	0.323	0.324
29	0.302	0.305	0.306	0.323	0.324
30	0.303	0.306	0.306	0.324	0.325
31	0.303	0.306	0.306	0.324	0.325
32	0.303	0.306	0.307	0.325	0.326
33	0.304	0.306	0.307	0.325	0.326
34	0.304	0.307	0.308	0.325	0.327
35	0.304	0.307	0.308	0.326	0.327
36	0.304	0.307	0.308	0.326	0.328
37	0.305	0.308	0.309	0.327	0.328
38	0.305	0.308	0.309	0.327	0.329
39	0.306	0.309	0.310	0.328	0.329
40	0.306	0.309	0.310	0.328	0.330
41	0.306	0.310	0.310	0.329	0.331
42	0.307	0.310	0.311	0.329	0.331
43	0.307	0.311	0.311	0.329	0.332
44	0.308	0.311	0.311	0.330	0.332
45	0.308	0.312	0.312	0.330	0.333

Table 5 - Form FL-08(U)
Flexible Premium Adjustable Life
Monthly Per \$1,000
of Specified Amount Charges

<u>Issue</u> <u>Age</u>	<u>Preferred</u> <u>Plus NT</u>	<u>Preferred</u> <u>NT</u>	<u>Nontobacco</u>	<u>Preferred</u> <u>Tobacco</u>	<u>Tobacco</u>
46	0.308	0.312	0.312	0.331	0.333
47	0.309	0.313	0.313	0.332	0.334
48	0.309	0.313	0.313	0.333	0.335
49	0.310	0.314	0.314	0.333	0.336
50	0.311	0.315	0.315	0.334	0.337
51	0.311	0.316	0.316	0.335	0.337
52	0.312	0.316	0.316	0.336	0.339
53	0.313	0.317	0.317	0.337	0.340
54	0.313	0.318	0.318	0.338	0.341
55	0.314	0.319	0.319	0.339	0.342
56	0.335	0.339	0.339	0.360	0.371
57	0.335	0.340	0.340	0.361	0.373
58	0.336	0.341	0.341	0.363	0.374
59	0.337	0.342	0.342	0.363	0.375
60	0.338	0.343	0.344	0.365	0.377
61	0.339	0.344	0.345	0.366	0.378
62	0.340	0.345	0.347	0.368	0.380
63	0.341	0.347	0.348	0.370	0.383
64	0.343	0.348	0.350	0.372	0.385
65	0.345	0.350	0.351	0.375	0.387
66	0.346	0.352	0.361	0.377	0.390
67	0.348	0.354	0.364	0.379	0.393
68	0.351	0.357	0.367	0.383	0.397
69	0.354	0.360	0.370	0.387	0.401
70	0.357	0.363	0.373	0.391	0.405
71	0.360	0.366	0.378	0.395	0.411
72	0.364	0.371	0.383	0.402	0.418
73	0.369	0.377	0.389	0.409	0.427
74	0.377	0.384	0.398	0.419	0.437
75	0.386	0.394	0.408	0.432	0.452
76	0.399	0.408	0.424	0.450	0.472
77	0.419	0.430	0.449	0.478	0.504
78	0.459	0.473	0.496	0.534	0.566
79	0.569	0.591	0.628	0.688	0.739
80	0.680	0.710	0.760	0.841	0.913
81	0.789	0.828	0.893	0.995	1.085
82	0.900	0.947	1.025	1.150	1.259
83	1.010	1.065	1.157	1.304	1.431
84	1.121	1.184	1.289	1.458	1.605
85	1.231	1.303	1.421	1.611	1.778

Statutory Reserves
Form FL-08 (U)

Because the No-Lapse guarantee is embedded in the policy, the reserves will be the greater of the reserve calculated under the Commissioner's Reserve Valuation Method (CRVM) for Indexed Flexible Premium Adjustable Life and the reserve calculated using Actuarial Guideline XXXVIII (AG38) methodology. The description and demonstration of the AG38 reserve can be found in the attachment to this memorandum.

The following items will be calculated at time of policy issue.

Guaranteed Maturity Premium (GMP) - The GMP is the level annual gross premium paid to age 121, which will endow the policy at age 121. The GMP is calculated based on the underwriting classification, plan of insurance purchased and policy guarantees including expense charges, interest rates and mortality charges.

Guaranteed Maturity Fund (GMF) - The GMF is an accumulation fund value defined for each duration using guaranteed expense charges, interest rates and mortality charges, and assuming the GMP's are paid.

Future Benefits (FB) - The FB are the Death Benefits associated with each of the GMF values, defined for all policy durations. These Future Benefits are based on the Death Benefit Option (Specified Amount includes Policy Value or Specified Amount does not include Policy Value) and the percentage of Policy Value factors in Section 9 of Form FL-08 (U), if applicable.

Present Value of Future Benefits (PVFB_I) - The PVFB at issue is the value of the future benefits, discounted for interest and mortality that correspond to the valuation basis for the year of issue. The mortality used is based on the 2001 CSO (M) Preferred Class Structure Mortality Table, Age Nearest Birthday.

$$PVFB_I = \frac{1 * \sum_{t=1}^{121-x} [(l_{x+t-1} - l_{x+t}) * FB_t]}{l_x \sum_{k=1}^t (1+i_k)}$$

where:

x = issue age

l_{x+t} = number of lives at age x+t using valuation mortality

i_k = valuation interest rate for duration k

SA = Specified Amount at issue

CRVM Expense Allowance (E^{CRVM}) - The E^{CRVM} is equal to (a) - (b) where:

(a) is (i) the net level annual premium for the contract as if issued at an age one year older with premiums payable one year less and maturing at the same age, but not greater than (ii) a net level annual premium for a 19 pay whole life contract issued at an age one year older.

$$(i) \quad \frac{\sum_{j=0}^{(121-x)-2} FB_{j+2} * v^{j+1} * {}_j p_{x+1} * q_{x+j+1} + FB_{(121-x)} * v^{(121-x)-1} * {}_{121-x-1} p_{x+1}}{\sum_{j=0}^{(121-x)-2} v^j * {}_j p_{x+1}}$$

$$(ii) \text{ ELRA} * {}_{19}P_{x+1}$$

where, ELRA is the Equivalent Level Renewal Amount

$$\text{ELRA} = \frac{\sum_{j=0}^{(121-x)-2} \text{FB}_{j+2} * v^{j+1} * {}_jP_{x+1} * q_{x+j+1}}{A_{x+1}}$$

and,

$${}_{19}P_{x+1} = A_{x+1} / a_{x+1:19}$$

(b) is the net one year term insurance premium for the benefit provided in the first year.

$$\text{FB}_1 * A_{x:1}$$

The following items will be calculated at each valuation date.

Cash Value (CV_m) - The CV_m is the accumulated fund value of the policy, at the time of valuation.

Net Surrender Value (CSV_m) - The CSV_m is the cash value of the policy less the surrender charge, if any, at the time of valuation.

Ratio (r) - equals CV_m divided by GMF_m .

If the ratio r is less than zero or greater than one, then it should be set equal to one.

Future Benefits (FB) - Using the greater of CV_m or GMF_m as a starting value on the valuation date, future benefits are calculated assuming guaranteed interest, mortality and expense charges, with GMP's paid on the policy anniversaries.

Present Value of Future Benefits ($PVFB_m$) - The $PVFB$ at the time of valuation is the value of the Future Benefits, discounted for interest and mortality using the valuation basis.

Net Level Premium Reserves (NLR_m) - The net level premium reserves are equal to $((A) - (B)) * r$ where:

(A) is $PVFB_m$

(B) is $PVNLP = NLP * a_{x+m}$
where $NLP = PVFB_I / a_x$

r is the ratio defined above.

CRVM Reserve ($CRVM_m$) - The $CRVM$ at time of valuation m is defined as follows:

$$CRVM_m = NLR_m - (E^{CRVM} * \frac{a_{x+m}}{a_x} * r)$$

STATUTORY RESERVES
FORM FL-08 (U)
SAMPLE CALCULATION

Age 35, Nonsmoker
\$100,000 Specified Amount
Issue Date = 5/1/08

Guaranteed Maturity Premium (GMP) = 1,651.80

Guaranteed Maturity Fund (GMF) - see attached Table

Future Benefits (FB) - see attached Table

Present Value of Future Benefits (PVFB_I) - using 4% interest and the 2001 CSO (M) Preferred Class Structure Mortality Table, the PVFB_I = 20,801.85

CRVM Expense Allowance (E^{CRVM}) -

(a) (i) the net level annual premium issued one year older = \$1,053.62

(ii) ELRA * ${}_{19}P_{x+1}$ = \$1,602.81

ELRA = \$100,000

${}_{19}P_{x+1}$ = .016028

(b) is the net one year term insurance premium

FB₁ * A_{x:1} = \$56.78

FB₁ = 100,000

A_{x:1} = .0005678

E^{CRVM} = (a) - (b) = 1,053.62 - 56.78 = 996.84

Using a valuation date of 12/31/08, m=8.

Cash Value (CV_m) - Assuming an actual premium of \$1,651.80, actual interest credited at 3%, and current cost of insurance rates, CV_m = \$1,344.17.

Net Surrender Value = 710.57

Ratio (r) - CV_m / GMF_m

GMF_m = 1,040.29

r = 1,344.17/1,040.29 > 1, therefore r = 1.00

Present Value of Future Benefits (PVFB_m) -

PVFB₈ = 21,402.04

Net Level Premium Reserves (NLR_m) -

((A) - (B)) * r

(A) is PVFB₈ = 21,402.04

(B) is PVNLP = NLP * a_{x+m}

$$\begin{aligned}
 \text{where NLP} &= \text{PVFB}_I / a_x \\
 &= 20,801.85 / 20.69 \\
 &= 1,005.44
 \end{aligned}$$

$$a_{x+m} = 20.22$$

$$\text{PVNLP} = 1,005.44 * 20.22 = 20,328.72$$

$$\text{NLR}_m = (21,402.04 - 20,328.72) * 1.00 = 1,073.32$$

$$\text{CRVM Reserve (CRVM}_m) -$$

$$\begin{aligned}
 \text{CRVM}_m &= \text{NLR}_m - (E^{\text{CRVM}} * \frac{a_{x+m}}{a_x} * r) \\
 &= 1,073.32 - 996.84 * 20.22 / 20.69 * 1.00 \\
 &= 99.16
 \end{aligned}$$

$$\text{AG38 Reserve (fTV}_{[x]} \text{ from Attachment)} = 2,585.20$$

$$\text{Statutory Reserve} = \text{MAX (CSV}_m, \text{CRVM}_m, \text{fTV}_{[x]}) = \text{MAX}(710.57, 99.16, 2,585.20) = 2,585.20$$

Age 35 NonSmoker

Guaranteed Interest = 3%

Guaranteed COI = 2001 CSO (80) NonSmoker

Specified Amount = \$100,000 (includes Policy Value)

Form FL-08(U)

GMP = \$1,651.80

<u>Duration</u>	<u>GMF</u>	<u>FB</u>	<u>Duration</u>	<u>GMF</u>	<u>FB</u>
1	856	100,000	44	67,244	100,000
2	1,732	100,000	45	68,830	100,000
3	2,630	100,000	46	70,367	100,000
4	3,547	100,000	47	71,839	100,000
5	4,487	100,000	48	73,252	100,000
6	5,448	100,000	49	74,610	100,000
7	6,428	100,000	50	75,908	100,000
8	7,427	100,000	51	77,140	100,000
9	8,443	100,000	52	78,308	100,000
10	9,475	100,000	53	79,393	100,000
11	10,896	100,000	54	80,396	100,000
12	12,346	100,000	55	81,318	100,000
13	13,821	100,000	56	82,171	100,000
14	15,331	100,000	57	83,012	100,000
15	16,876	100,000	58	83,832	100,000
16	18,453	100,000	59	84,613	100,000
17	20,059	100,000	60	85,340	100,000
18	21,690	100,000	61	85,984	100,000
19	23,346	100,000	62	86,565	100,000
20	25,021	100,000	63	87,067	100,000
21	26,710	100,000	64	87,607	100,000
22	28,416	100,000	65	88,152	100,000
23	30,136	100,000	66	88,674	100,000
24	31,879	100,000	67	89,196	100,000
25	33,643	100,000	68	89,712	100,000
26	35,424	100,000	69	90,217	100,000
27	37,214	100,000	70	90,702	100,000
28	39,007	100,000	71	91,156	100,000
29	40,798	100,000	72	91,581	100,000
30	42,588	100,000	73	91,976	100,000
31	44,378	100,000	74	92,344	100,000
32	46,171	100,000	75	92,683	100,000
33	47,971	100,000	76	92,991	100,000
34	49,775	100,000	77	93,275	100,000
35	51,589	100,000	78	93,546	100,000
36	53,402	100,000	79	93,831	100,000
37	55,212	100,000	80	94,092	100,000
38	56,997	100,000	81	94,353	100,000
39	58,761	100,000	82	94,632	100,000
40	60,506	100,000	83	94,968	100,000
41	62,230	100,000	84	95,517	100,000
42	63,934	100,000	85	96,791	100,000
43	65,609	100,000	86	100,000	100,000

Actuarial Guideline XXXVIII Reserves for Secondary Guarantee on Form FL-08(U)

Description

Actuarial Guideline XXXVIII describes a nine step process to calculate the reserves on a universal life policy that guarantees the coverage to remain in force as long as the accumulation of premiums paid satisfy the secondary guarantee requirement.

The first step requires a calculation of the minimum premiums that will satisfy the secondary guarantee requirement. The second step states that the specified premiums used for basic and deficiency reserve calculation be the minimum gross premiums derived in the first step. Basic and deficiency reserves are then calculated as instructed in the Valuation of Life Insurance Policies Model Regulation. Additionally, for purposes of applying Sections 7B and 7C of the Model, a lapse rate as described in AGXXXVIII may be used.

Step three states that a determination should be made of the amount of actual premium payments in excess of the minimum gross premiums, which is the amount of the shadow account. Step four requires a determination of the minimum amount of the shadow account required to fully fund the guarantee. The amount determined above for this step is to then be divided by one minus a seven percent premium load allowance (0.93). A funding ratio is then calculated by dividing the amount calculated in step 3 by the amount calculated in step 4, with the resulting ratio capped at 1.

In step five the net single premium on the valuation date is computed, using any valuation table and select factors authorized in section 5A of the Valuation of Life Insurance Policies Model Regulation. A lapse rate subject to the same criteria as in step 2 above may be used. The net single premium is calculated for the coverage provided by the secondary guarantee for the remainder of the secondary guarantee period. Step six determines the "net amount of additional premiums" by multiplying the funding ratio from step four by the difference between the net single premium in step five and the basic and deficiency reserves calculated in step two.

Step seven calculates a "reduced deficiency reserve" by multiplying the deficiency reserve by one minus the funding ratio calculated in step 4, but not less than zero. Step eight calculates the actual reserve to be used as the lesser of: (1) the net single premium from step five, (2) the amount of excess from step six plus the basic and deficiency reserves calculated in step two. This amount is reduced by any applicable surrender charges. If the resulting amount is less than the sum of the basic and deficiency reserve from step two, then the basic and deficiency reserves to be used are those calculated in step two. Step nine determines an "increased basic reserve" by subtracting the "reduced deficiency reserve" in step seven from the reserve calculated in step eight.

Definitions and Notation

Secondary Guarantee Period (n) – the period for which policyholder can maintain the policy in force due to the provisions of the secondary guarantee.

Minimum Gross Premium (GP) – the minimum premium to keep the secondary guarantee in force. This amount is calculated as the minimum premium that can be paid at the beginning of the policy year to keep the guarantee in force at the end of the year.

Present Value of Future Benefits (PVFB) – Value of future benefits discounted for interest and mortality and lapses. For Basic Reserves, PVFB is determined using an interest rate of 4% and Basic mortality. For Minimum reserves, PVFB is determined using an interest rate of 4% and Minimum Mortality. The maximum lapses allowed are used in the present value calculation.

Present Value of Future Premiums (PVNP) – Value of future net premiums discounted for interest and survivorship (including lapses). For Basic reserves, PVNP is determined using the net premiums for each segment, 4% interest, and Basic Mortality. For Minimum Reserves, PVNP is determined using the lower of the secondary guarantee specified premium and the net premium for each segment, 4% interest, and Minimum Mortality. Net Premium equals GP times the K factor for the segment. The maximum lapses allowed are used.

CRVM Expense Allowance (E^{CRVM}) – Excess of net level annual premium issued one year older over the one-year term premium.

Basic Mortality - is defined as 2001 CSO (M) Preferred Class Structure Select and Ultimate Mortality. Select factors may only be applied during the first segment.

Minimum Mortality - is defined as 2001 CSO (M) Preferred Class Structure S & U Mortality and company-developed X-factors. Select factors and X-factors may only be applied during the first segment.

Terminal Reserve (${}_tV_{[x]}$) - present value of all future guaranteed death benefits (PVFB) minus the present value of all future net premiums (PVNP). For basic reserves this value is calculated using valuation interest and basic mortality. For minimum reserves this value is calculated using minimum interest and minimum mortality. The maximum lapses allowed are used in the present value calculations.

Deficiency Reserve (${}_tDV_{[x]}$) - A policy is deficient if the gross specified premium is less than the net premium. Any duration where this is true, the gross premium must be substituted for the net premium in the minimum reserve calculation. Any excess of minimum reserve over the basic reserve must be held as a deficiency reserve.

Mean Basic Reserve (${}_tMV_{[x]}$) - Mean reserve in year t is equal to the weighted average of the initial and terminal reserve for year t . Initial reserve is the prior year terminal reserve plus the net premium.

Excess (EX) - The amount in the shadow account. This will be equal to the sum of any paid premiums minus the shadow account charges accumulated with interest.

Single Pay Excess (SP) - The amount in the shadow account necessary to fully fund the secondary guarantee at the valuation date.

Net Single Premium (NSP) - The net single premium on the valuation date for the coverage provided by the secondary guarantee for the remainder of the secondary guarantee period using basic mortality. The maximum lapses allowed are used in the NSP calculation.

Total AG38 Reserve (${}_tTV_{[x]}$) - The total reserve held, which is the lesser of: (1) the net single premium from step five, (2) the amount of excess from step six plus the basic and deficiency reserves calculated in step two. This amount is reduced by any applicable surrender charges. If the resulting amount is less than the sum of the basic and deficiency reserve from step two, then the basic and deficiency reserves to be used are those calculated in step two.

Surrender Charge (SC) - The policy surrender charge applicable to the base policy's account value.

Formulas

$PVGP^{seg}$ = Present value of gross premiums during segment as of beginning of a segment

$$= \sum_{t=1}^j GP_{[x]+k+t-1} * v^{t-1} * {}_{t-1}P_{[x]+k}$$

$PVFB^{seg}$ = Present value of death benefits during segment as of beginning of a segment

$$= \sum_{t=1}^j Face_{t+k} * v^t * q_{[x]+k+t-1} * {}_{t-1}P_{[x]+k}$$

$$E^{CRVM} = \frac{\sum_{t=2}^j Face_t * v^t * q_{[x]+t-1} * {}_{t-1}P_{[x]} * GP_{[x]} - Face_1 * v * q_{[x]} * i / \ln(1+i)}{\sum_{t=2}^j GP_{[x]+t-1} * v^{t-1} * {}_{t-1}P_{[x]}}$$

$$K = (PVFB^{seg} + E^{CRVM}) / PVGP^{seg}$$

$PVNP$ = Present value of net premiums

$$= \sum_{t=1}^j K_{k+t+r} * GP_{[x]+k+t-1} * v^{t-1} * {}_{t-1}P_{[x]+k}$$

$${}_tV_{[x]+k} = PVFB(t) - PVNP(t)$$

$$= \sum_{t=1}^j Face_{k+t+r} * v^t * {}_{t-1}P_{[x]+k+t} * q_{[x]+k+t+r-1} - K_{k+t+r} * GP_{[x]+k+t+r-1} * v^{t-1} * {}_{t-1}P_{[x]+k+t}$$

where:

$p_{[x]}$ includes applicable mortality and lapses

x = issue age of insured

n = secondary guarantee period

j = length of current segment

k = number of years from issue to beginning of segment

t = number of years from beginning of current segment

$$v = 1 / (1+i)$$

i = valuation interest rate

Face_{k+t} = Death Benefit in year $k+t$

Sample Calculation

Insured:	Age 35, Nonsmoker
Specified Amount:	\$100,000
Target Premium:	\$704
Issue Date	05/01/2008
Valuation Date:	12/31/2008

Basic Reserve

$I = 4.0\%$ for basic

Since the gross premiums increase at a rate less than the increase of the mortality, there is only one segment of length 86 years.

n = 86 years

k = 0

PVFB = Present Value of future benefits at the start of the segment
= 20,831.50

PVGP = Present value of gross premiums at the start of the segment
= 16,921.93

E^{CRVM} = $\text{PVFB}(t+1) / \text{PVGP}(t+1) * \text{GP} - \text{Face} * (1/(1+I)) * q_{[55]} * i / \ln(1+i)$
= $21,618.15 / 17,504.96 * 100.00 - 100,000 * (1/(1+.04)) * .00058 * .04 / \ln(1.04)$
= 66.62 in year 1 only

K = $(20,831.50 + 66.62) / 16,921.93$
= 1.2350

NP = Net Premium = $\text{GP} * K - E^{\text{CRVM}}$
= $100.00 * 1.2350 - 66.62 = 56.88$ in year 1

${}_1V_{[55]}$ = $\text{PVDB}(1) - \text{PVNP}(1)$
= $20,898.12 - 20,898.12 = 0$

${}_1MV_{[55]}$ = $\frac{(12-m)}{12} * ({}_0V_{[55]} + NP_1) + \frac{m}{12} * {}_1V_{[55]}$

Since Valuation date is 8 months past issue date $m = 8$.

= $.33 * (0 + 56.88) + .67 * 0$

$$= 18.96$$

Minimum Reserve

$I = 4\%$ for minimum reserves

Since the gross premiums increase at a rate less than the increase of the mortality, there is only one segment of length 86 years.

$$n = 86 \text{ years}$$

$$k = 0$$

PVFB = Present Value of future benefits at the start of the segment

$$= 16,176.70$$

PVGP = Present value of gross premiums at the start of the segment

$$= 23,680.71$$

$$E^{CRVM} = PVDB(t+1)/PVGP(t+1) * GP - \text{Face} * (1/(1+I)) * q_{[55]} * i / \ln(1+i)$$

$$= 16,798.57 / 24,531.19 * 100.00 - 100,000 * (1/(1+.04)) * .0002958 * .04 / \ln(1.04)$$

$$= 39.47 \text{ in year 1 only}$$

$$K = (16,176.70 + 39.47) / 23,680.71$$

$$= .6848$$

$$NP = \text{Net Premium} = GP * K - E^{CRVM}$$

$$= 100.00 * .6848 - 39.47 = 29.01 \text{ in year 1}$$

$${}_1V_{[55]} = PVDB(1) - PVNP(1)$$

$$= 16,216.17 - 16,216.17 = 0$$

$${}_1MV_{[55]} = \frac{(12-m)}{12} * ({}_0V_{[55]} + NP_1) + \frac{m}{12} * {}_1V_{[55]}$$

Since Valuation date is 8 months past issue date $m = 8$.

$$= .33 * (0 + 29.01) + .67 * 0$$

$$= 9.67$$

Deficiency Reserve

$${}_1DV_{[55]} = \text{MAX}(0, 9.67 - 18.96)$$

$$= 0$$

Actuarial Guideline XXXVIII Reserve

$$EX = 1,573.89$$

$$SP = 9,550.83$$

$$SC = 633.60$$

$$\text{Funding ratio} = \text{EX}/(\text{SP}/0.93) = 1,573.89 / (9,550.83/0.93) = .1533$$

$$\text{NSP} = 20,898.12$$

$${}_t\text{DV}_{[55]} = 0 * (1 - \text{Funding ratio}) = 0 * (1 - .1533) = 0$$

$$\begin{aligned} {}_t\text{TV}_{[55]} &= \text{MAX}({}_t\text{MV}_{[55]} + {}_t\text{DV}_{[55]}, \text{MIN}(\text{NSP}, {}_t\text{MV}_{[55]} + {}_t\text{DV}_{[55]} + [\text{Funding ratio} * (\text{NSP} - {}_t\text{MV}_{[55]} - {}_t\text{DV}_{[55]}) - \text{SC}])) = \text{MAX}(18.96 + 0, \\ &\text{MIN}[20,898.12, 18.96 + .1533 * (20,898.12 - 18.96 - 0) - 633.60]) \\ &= \text{MAX}(18.96, \text{MIN}(20,898.12, 2,585.20)) = 2,585.20 \end{aligned}$$

This reserve would then be compared to the cash surrender value and the CRVM UL model regulation reserve to determine the final statutory reserve. The final reserve held would be equal to the maximum of the cash surrender value, the CRVM reserve, and the Actuarial Guideline XXXVIII reserve calculated above.

THE PENN MUTUAL LIFE INSURANCE COMPANY
ACTUARIAL MEMORANDUM

Rider – Overloan Protection Benefit Agreement
Form OPBA-08

I. General Description

This rider will prevent your policy from lapsing when, on any Monthly Anniversary, the outstanding indebtedness on the policy equals or exceeds (a) multiplied by (b), where:

- (a) is the Cash Surrender Value minus the Monthly Deduction from the previous Monthly Anniversary;
- (b) is the Specified Loan Percentage shown on the Policy Specifications Page.

If the above occurs, the Policy will automatically become paid-up life insurance. The new Specified Amount of the Policy will be equal to the Policy Value, adjusted for a one-time Charge, multiplied by an attained age factor shown in the Table of Death Benefit Factors.

The rider benefit is subject to the following conditions:

- (a) The Insured's attained age is 75 or older;
- (b) The Policy has been in force for a minimum of 15 years; and
- (c) The amounts that may be withdrawn from the policy without imposition of federal income tax must be taken as partial surrenders.

When the rider benefit is exercised, the new Death Benefit upon the date of death of the insured will be the greater of (a) or (b), where:

- (a) is the new Specified Amount of the paid-up life insurance; or
- (b) is the appropriate attained age factor shown in the Table of Death Benefit Factors multiplied by the greater of the Policy Value or outstanding indebtedness.

II. Rider Costs

There is a one-time charge for this rider assessed at the time when the benefit is exercised. This charge is shown on the Policy Specifications page.


III. Cash Values

None.

IV. Reserves

When the rider benefit is exercised, the statutory reserves for the policy will be the greater of (a) or (b), where:

- (a) is the Policy Value; and
- (b) is the net single premium for the Death Benefit as defined above using the valuation basis as described in the base policy.


Andrew W. Martin, FSA, MAAA
Associate Actuary

Illustrative Values Calculation for Form FL-08(S)

Years 1 and 15

Male Age 35; Standard Nontobacco
Specified Amount of \$50,000
Duration at Start of Illustration = 0
Issue Date = 7/1/08

Month	Premium (1)	Premium Load (2)	Begin of Mo. Policy Value (before mo. deductions) (3)	Amount at Risk (4)	Base Cost of Insurance (5)	Monthly Expense Charges (6)	Begin of Mo. Policy Value (after mo. deductions) (7)	Interest Factor (8)	End of Mo. Policy Value (9)	Surrender Charge (10)	Cash Surrender Value (11)
Jul	906.84	136.0260	770.81400	49106.17589	4.46048	24.50	741.85352	1.00247	743.68313	328.50	415.18313
Aug	0.00	0.0000	743.68313	49133.30675	4.46294	24.50	714.72019	1.00247	716.48288	328.50	387.98288
Sep	0.00	0.0000	716.48288	49160.50700	4.46541	24.50	687.51747	1.00247	689.21307	328.50	360.71307
Oct	0.00	0.0000	689.21307	49187.77681	4.46789	24.50	660.24519	1.00247	661.87353	328.50	333.37353
Nov	0.00	0.0000	661.87353	49215.11636	4.47037	24.50	632.90315	1.00247	634.46406	328.50	305.96406
Dec	0.00	0.0000	634.46406	49242.52582	4.47286	24.50	605.49120	1.00247	606.98451	328.50	278.48451
Jan	0.00	0.0000	606.98451	49270.00538	4.47536	24.50	578.00915	1.00247	579.43467	328.50	250.93467
Feb	0.00	0.0000	579.43467	49297.55521	4.47786	24.50	550.45681	1.00247	551.81439	328.50	223.31439
Mar	0.00	0.0000	551.81439	49325.17550	4.48037	24.50	522.83402	1.00247	524.12347	328.50	195.62347
Apr	0.00	0.0000	524.12347	49352.86642	4.48289	24.50	495.14058	1.00247	496.36173	328.50	167.86173
May	0.00	0.0000	496.36173	49380.62815	4.48541	24.50	467.37633	1.00247	468.52900	328.50	140.02900
Jun	0.00	0.0000	468.52900	49408.46089	4.48794	24.50	439.54107	1.00247	440.62509	328.50	112.12509
Jul	906.84	136.0260	8638.81400	41238.17589	10.61883	9.00	8619.19517	1.00247	8640.45243	0.00	8640.45243
Aug	0.00	0.0000	8640.45243	41236.53746	10.61841	9.00	8620.83402	1.00247	8642.09532	0.00	8642.09532
Sep	0.00	0.0000	8642.09532	41234.89456	10.61799	9.00	8622.47734	1.00247	8643.74269	0.00	8643.74269
Oct	0.00	0.0000	8643.74269	41233.24719	10.61756	9.00	8624.12513	1.00247	8645.39455	0.00	8645.39455
Nov	0.00	0.0000	8645.39455	41231.59534	10.61714	9.00	8625.77742	1.00247	8647.05091	0.00	8647.05091
Dec	0.00	0.0000	8647.05091	41229.93898	10.61671	9.00	8627.43420	1.00247	8648.71178	0.00	8648.71178
Jan	0.00	0.0000	8648.71178	41228.27811	10.61628	9.00	8629.09550	1.00247	8650.37718	0.00	8650.37718
Feb	0.00	0.0000	8650.37718	41226.61271	10.61585	9.00	8630.76132	1.00247	8652.04711	0.00	8652.04711
Mar	0.00	0.0000	8652.04711	41224.94278	10.61542	9.00	8632.43169	1.00247	8653.72159	0.00	8653.72159
Apr	0.00	0.0000	8653.72159	41223.26829	10.61499	9.00	8634.10660	1.00247	8655.40064	0.00	8655.40064
May	0.00	0.0000	8655.40064	41221.58925	10.61456	9.00	8635.78608	1.00247	8657.08426	0.00	8657.08426
Jun	0.00	0.0000	8657.08426	41219.90563	10.61413	9.00	8637.47013	1.00247	8658.77246	0.00	8658.77246

(2)=.15*(1) in all years

(3)=(8)+(1)-(2)

(4)=(50000/1.00247)-(3)

(5)=(.00109/12)*(4) or (.00309/12)*(4)
year 15

(6)=9.00+.310*50000/1000 (yr. 1) or 9.00 (yr. 15)

(7)=(3)-(5)-(6)

(8)=(1.03)**(1/12)

(9)=(8)*(7)

(10)=9*Target Premium

(11)=maximum {(9)-(10);0}

The Penn Mutual Life Insurance Company
Form FL-08(S)
Flexible Premium Adjustable Life Insurance
Comparison Of Legal Minimum Cash Value
to Form FL-08(S) Cash Surrender Value

Male Issue Age 35 Standard Nontobacco
Annual Premium of \$906.84
Specified Amount of \$50,000 Includes Policy Value

Att Age	Death Benefit	Legal Minimum		Policy Actual		
		Reserve	Cash Value	Death Benefit	Reserve	Cash Surrender Value
36	50,000	0	0	50,000	113	113
37	50,000	512	0	50,000	596	596
38	50,000	1,037	0	50,000	1,082	1,082
39	50,000	1,577	155	50,000	1,578	1,578
40	50,000	2,131	570	50,000	2,131	2,085
41	50,000	2,702	1,002	50,000	2,702	2,603
42	50,000	3,290	1,452	50,000	3,290	3,131
43	50,000	3,896	1,920	50,000	3,896	3,668
44	50,000	4,519	2,404	50,000	4,519	4,213
45	50,000	5,160	2,906	50,000	5,160	4,766
46	50,000	5,816	3,424	50,000	5,816	5,515
47	50,000	6,487	3,959	50,000	6,487	6,277
48	50,000	7,171	4,512	50,000	7,171	7,053
49	50,000	7,871	5,083	50,000	7,871	7,848
50	50,000	8,587	5,678	50,000	8,659	8,659
51	50,000	9,322	6,297	50,000	9,466	9,466
52	50,000	10,076	6,940	50,000	10,290	10,290
53	50,000	10,849	7,606	50,000	11,127	11,127
54	50,000	11,638	8,292	50,000	11,977	11,977
55	50,000	12,444	8,998	50,000	12,836	12,836
56	50,000	13,266	9,723	50,000	13,703	13,703
57	50,000	14,103	10,462	50,000	14,578	14,578
58	50,000	14,955	11,218	50,000	15,460	15,460
59	50,000	15,823	11,990	50,000	16,354	16,354
60	50,000	16,707	12,784	50,000	17,260	17,260
61	50,000	17,595	13,599	50,000	18,174	18,174
62	50,000	18,491	14,432	50,000	19,092	19,092
63	50,000	19,391	15,280	50,000	20,009	20,009
64	50,000	20,291	16,137	50,000	20,924	20,924
65	50,000	21,192	17,002	50,000	21,837	21,837
66	50,000	22,094	17,874	50,000	22,748	22,748
67	50,000	23,000	18,755	50,000	23,660	23,660
68	50,000	23,914	19,646	50,000	24,574	24,574
69	50,000	24,833	20,552	50,000	25,491	25,491
70	50,000	25,762	21,471	50,000	26,413	26,413
71	50,000	26,695	22,408	50,000	27,334	27,334
72	50,000	27,629	23,356	50,000	28,254	28,254
73	50,000	28,550	24,313	50,000	29,159	29,159
74	50,000	29,460	25,267	50,000	30,053	30,053
75	50,000	30,360	26,218	50,000	30,936	30,936
76	50,000	31,251	27,170	50,000	31,809	31,809
77	50,000	32,135	28,120	50,000	32,670	32,670
78	50,000	33,007	29,070	50,000	33,516	33,516
79	50,000	33,861	30,013	50,000	34,341	34,341
80	50,000	34,690	30,942	50,000	35,138	35,138

The Penn Mutual Life Insurance Company
Form FL-08(S)
Flexible Premium Adjustable Life Insurance
Comparison Of Legal Minimum Cash Value
to Form FL-08(S) Cash Surrender Value

Male Issue Age 35 Standard Nontobacco
Annual Premium of \$906.84
Specified Amount of \$50,000 Includes Policy Value

Legal Minimum				Policy Actual		
Att Age	Death Benefit	Reserve	Cash Value	Death Benefit	Reserve	Cash Surrender Value
81	50,000	35,493	31,850	50,000	35,908	35,908
82	50,000	36,263	32,735	50,000	36,644	36,644
83	50,000	37,008	33,590	50,000	37,352	37,352
84	50,000	37,726	34,420	50,000	38,033	38,033
85	50,000	38,417	35,226	50,000	38,683	38,683
86	50,000	39,075	36,004	50,000	39,300	39,300
87	50,000	39,696	36,749	50,000	39,880	39,880
88	50,000	40,277	37,455	50,000	40,420	40,420
89	50,000	40,816	38,119	50,000	40,920	40,920
90	50,000	41,313	38,737	50,000	41,380	41,380
91	50,000	41,769	39,310	50,000	41,801	41,801
92	50,000	42,200	39,836	50,000	42,200	42,196
93	50,000	42,610	40,333	50,000	42,610	42,567
94	50,000	42,998	40,803	50,000	42,998	42,913
95	50,000	43,364	41,245	50,000	43,364	43,234
96	50,000	43,709	41,656	50,000	43,709	43,527
97	50,000	44,040	42,033	50,000	44,040	43,807
98	50,000	44,355	42,395	50,000	44,355	44,071
99	50,000	44,652	42,740	50,000	44,652	44,319
100	50,000	44,924	43,065	50,000	44,924	44,545
101	50,000	45,159	43,363	50,000	45,159	44,744
102	50,000	45,390	43,620	50,000	45,390	44,937
103	50,000	45,617	43,872	50,000	45,617	45,126
104	50,000	45,839	44,118	50,000	45,839	45,310
105	50,000	46,054	44,359	50,000	46,054	45,487
106	50,000	46,265	44,594	50,000	46,265	45,660
107	50,000	46,472	44,822	50,000	46,472	45,828
108	50,000	46,674	45,045	50,000	46,674	45,991
109	50,000	46,872	45,263	50,000	46,872	46,149
110	50,000	47,065	45,474	50,000	47,065	46,302
111	50,000	47,253	45,679	50,000	47,253	46,449
112	50,000	47,438	45,878	50,000	47,438	46,591
113	50,000	47,619	46,071	50,000	47,619	46,729
114	50,000	47,798	46,258	50,000	47,798	46,862
115	50,000	47,974	46,438	50,000	47,974	46,993
116	50,000	48,150	46,612	50,000	48,150	47,124
117	50,000	48,329	46,780	50,000	48,329	47,264
118	50,000	48,518	46,941	50,000	48,518	47,437
119	50,000	48,742	47,095	50,000	48,742	47,711
120	50,000	49,310	47,171	50,000	49,310	48,363
121	50,000	50,000	50,000	50,000	50,000	50,000

Illustrative Values Calculation for Form FL-08(U)

Years 1 and 15

Unisex Age 35; Standard Nontobacco
Specified Amount of \$50,000
Duration at Start of Illustration = 0
Issue Date = 7/1/08

Month	Premium (1)	Premium Load (2)	Begin of Mo. Policy Value (before mo. deductions) (3)	Amount at Risk (4)	Base Cost of Insurance (5)	Monthly Expense Charges (6)	Begin of Mo. Policy Value (after mo. deductions) (7)	Interest Factor (8)	End of Mo. Policy Value (9)	Surrender Charge (10)	Cash Surrender Value (11)
Jul	888.67	133.3005	755.36950	49121.62039	4.29814	24.40	726.67136	1.00247	728.46353	316.80	411.66353
Aug	0.00	0.0000	728.46353	49148.52636	4.30050	24.40	699.76303	1.00247	701.48883	316.80	384.68883
Sep	0.00	0.0000	701.48883	49175.50105	4.30286	24.40	672.78598	1.00247	674.44525	316.80	357.64525
Oct	0.00	0.0000	674.44525	49202.54464	4.30522	24.40	645.74003	1.00247	647.33260	316.80	330.53260
Nov	0.00	0.0000	647.33260	49229.65729	4.30760	24.40	618.62500	1.00247	620.15070	316.80	303.35070
Dec	0.00	0.0000	620.15070	49256.83919	4.30997	24.40	591.44072	1.00247	592.89938	316.80	276.09938
Jan	0.00	0.0000	592.89938	49284.09051	4.31236	24.40	564.18702	1.00247	565.57846	316.80	248.77846
Feb	0.00	0.0000	565.57846	49311.41143	4.31475	24.40	536.86371	1.00247	538.18776	316.80	221.38776
Mar	0.00	0.0000	538.18776	49338.80213	4.31715	24.40	509.47061	1.00247	510.72710	316.80	193.92710
Apr	0.00	0.0000	510.72710	49366.26278	4.31955	24.40	482.00756	1.00247	483.19632	316.80	166.39632
May	0.00	0.0000	483.19632	49393.79357	4.32196	24.40	454.47436	1.00247	455.59522	316.80	138.79522
Jun	0.00	0.0000	455.59522	49421.39467	4.32437	24.40	426.87084	1.00247	427.92362	316.80	111.12362
Jul	888.67	133.3005	8407.36950	41469.62039	10.29829	9.00	8388.07121	1.00247	7652.00	0.00	8408.75846
Aug	0.00	0.0000	8408.75846	41468.23143	10.29794	9.00	8389.46051	1.00247	8408.75846	0.00	8410.15119
Sep	0.00	0.0000	8410.15119	41466.83870	10.29760	9.00	8390.85359	1.00247	8410.15119	0.00	8411.54770
Oct	0.00	0.0000	8411.54770	41465.44219	10.29725	9.00	8392.25044	1.00247	8411.54770	0.00	8412.94800
Nov	0.00	0.0000	8412.94800	41464.04189	10.29690	9.00	8393.65109	1.00247	8412.94800	0.00	8414.35210
Dec	0.00	0.0000	8414.35210	41462.63778	10.29656	9.00	8395.05555	1.00247	8414.35210	0.00	8415.76002
Jan	0.00	0.0000	8415.76002	41461.22987	10.29621	9.00	8396.46381	1.00247	8415.76002	0.00	8417.17176
Feb	0.00	0.0000	8417.17176	41459.81813	10.29585	9.00	8397.87590	1.00247	8417.17176	0.00	8418.58733
Mar	0.00	0.0000	8418.58733	41458.40256	10.29550	9.00	8399.29183	1.00247	8418.58733	0.00	8420.00675
Apr	0.00	0.0000	8420.00675	41456.98314	10.29515	9.00	8400.71160	1.00247	8420.00675	0.00	8421.43002
May	0.00	0.0000	8421.43002	41455.55987	10.29480	9.00	8402.13522	1.00247	8421.43002	0.00	8422.85715
Jun	0.00	0.0000	8422.85715	41454.13273	10.29444	9.00	8403.56271	1.00247	8422.85715	0.00	8424.28816

(2)= 15*(1) in all years

(3)=(8)+(1)-(2)

(4)=(50000/1.00247)-(3)

(5)=(.00105/12)*(4) or (.00298/12)*(4)
year 1 year 15

(6)=9.00+.308*50000/1000 (yr. 1) or 9.00 (yr. 15)

(7)=(3)-(5)-(6)

(8)=(1.03)**(1/12)

(9)=(8)*(7)

(10)= 9*Target Premium

(11)=maximum {(9)-(10);0}

The Penn Mutual Life Insurance Company
Form FL-08(U)
Flexible Premium Adjustable Life Insurance
Comparison Of Legal Minimum Cash Value
to Form FL-08(U) Cash Surrender Value

Unisex Issue Age 35 Standard Nontobacco
Annual Premium of \$888.67
Specified Amount of \$50,000 Includes Policy Value

Att Age	Death Benefit	Legal Minimum		Policy Actual		
		Reserve	Cash Value	Death Benefit	Reserve	Cash Surrender Value
36	50,000	0	0	50,000	110	110
37	50,000	512	0	50,000	579	579
38	50,000	1,037	0	50,000	1,048	1,048
39	50,000	1,577	135	50,000	1,577	1,528
40	50,000	2,131	537	50,000	2,131	2,019
41	50,000	2,702	956	50,000	2,702	2,521
42	50,000	3,290	1,393	50,000	3,290	3,032
43	50,000	3,896	1,846	50,000	3,896	3,552
44	50,000	4,519	2,317	50,000	4,519	4,080
45	50,000	5,160	2,804	50,000	5,160	4,617
46	50,000	5,816	3,309	50,000	5,816	5,349
47	50,000	6,487	3,829	50,000	6,487	6,097
48	50,000	7,171	4,368	50,000	7,171	6,856
49	50,000	7,871	4,924	50,000	7,871	7,633
50	50,000	8,587	5,503	50,000	8,587	8,424
51	50,000	9,322	6,104	50,000	9,322	9,212
52	50,000	10,076	6,727	50,000	10,076	10,015
53	50,000	10,849	7,371	50,000	10,849	10,830
54	50,000	11,638	8,035	50,000	11,658	11,658
55	50,000	12,444	8,718	50,000	12,495	12,495
56	50,000	13,266	9,418	50,000	13,339	13,339
57	50,000	14,103	10,133	50,000	14,192	14,192
58	50,000	14,955	10,864	50,000	15,051	15,051
59	50,000	15,823	11,611	50,000	15,923	15,923
60	50,000	16,707	12,378	50,000	16,804	16,804
61	50,000	17,595	13,165	50,000	17,694	17,694
62	50,000	18,491	13,969	50,000	18,589	18,589
63	50,000	19,391	14,789	50,000	19,485	19,485
64	50,000	20,291	15,619	50,000	20,380	20,380
65	50,000	21,192	16,458	50,000	21,275	21,275
66	50,000	22,094	17,306	50,000	22,170	22,170
67	50,000	23,000	18,164	50,000	23,066	23,066
68	50,000	23,914	19,034	50,000	23,965	23,965
69	50,000	24,833	19,918	50,000	24,867	24,867
70	50,000	25,762	20,815	50,000	25,774	25,774
71	50,000	26,695	21,729	50,000	26,695	26,680
72	50,000	27,629	22,654	50,000	27,629	27,584
73	50,000	28,550	23,588	50,000	28,550	28,477
74	50,000	29,460	24,520	50,000	29,460	29,358
75	50,000	30,360	25,451	50,000	30,360	30,230
76	50,000	31,251	26,383	50,000	31,251	31,092
77	50,000	32,135	27,314	50,000	32,135	31,944
78	50,000	33,007	28,245	50,000	33,007	32,781
79	50,000	33,861	29,170	50,000	33,861	33,598
80	50,000	34,690	30,083	50,000	34,690	34,391

The Penn Mutual Life Insurance Company
Form FL-08(U)
Flexible Premium Adjustable Life Insurance
Comparison Of Legal Minimum Cash Value
to Form FL-08(U) Cash Surrender Value

Unisex Issue Age 35 Standard Nontobacco
Annual Premium of \$888.67
Specified Amount of \$50,000 Includes Policy Value

Legal Minimum				Policy Actual		
Att Age	Death Benefit	Reserve	Cash Value	Death Benefit	Reserve	Cash Surrender Value
81	50,000	35,493	30,978	50,000	35,493	35,159
82	50,000	36,263	31,854	50,000	36,263	35,895
83	50,000	37,008	32,700	50,000	37,008	36,601
84	50,000	37,726	33,521	50,000	37,726	37,280
85	50,000	38,417	34,317	50,000	38,417	37,929
86	50,000	39,075	35,085	50,000	39,075	38,544
87	50,000	39,696	35,821	50,000	39,696	39,128
88	50,000	40,277	36,524	50,000	40,277	39,670
89	50,000	40,816	37,182	50,000	40,816	40,172
90	50,000	41,313	37,794	50,000	41,313	40,632
91	50,000	41,769	38,359	50,000	41,769	41,058
92	50,000	42,200	38,882	50,000	42,200	41,479
93	50,000	42,610	39,404	50,000	42,610	41,888
94	50,000	42,998	39,918	50,000	42,998	42,279
95	50,000	43,364	40,413	50,000	43,364	42,642
96	50,000	43,709	40,876	50,000	43,709	42,964
97	50,000	44,040	41,286	50,000	44,040	43,254
98	50,000	44,355	41,655	50,000	44,355	43,505
99	50,000	44,652	41,967	50,000	44,652	43,775
100	50,000	44,924	42,308	50,000	44,924	44,048
101	50,000	45,159	42,658	50,000	45,159	44,308
102	50,000	45,390	42,991	50,000	45,390	44,569
103	50,000	45,617	43,328	50,000	45,617	44,827
104	50,000	45,839	43,665	50,000	45,839	45,079
105	50,000	46,054	43,999	50,000	46,054	45,321
106	50,000	46,265	44,321	50,000	46,265	45,548
107	50,000	46,472	44,626	50,000	46,472	45,760
108	50,000	46,674	44,913	50,000	46,674	45,958
109	50,000	46,872	45,180	50,000	46,872	46,142
110	50,000	47,065	45,432	50,000	47,065	46,311
111	50,000	47,253	45,666	50,000	47,253	46,465
112	50,000	47,438	45,877	50,000	47,438	46,607
113	50,000	47,619	46,069	50,000	47,619	46,742
114	50,000	47,798	46,248	50,000	47,798	46,884
115	50,000	47,974	46,445	50,000	47,974	47,015
116	50,000	48,150	46,620	50,000	48,150	47,145
117	50,000	48,329	46,787	50,000	48,329	47,285
118	50,000	48,518	46,950	50,000	48,518	47,454
119	50,000	48,742	47,092	50,000	48,742	47,732
120	50,000	49,310	47,184	50,000	49,310	48,378
121	50,000	50,000	50,000	50,000	50,000	50,000

Life, Accident & Health, Annuity, Credit Transmittal Document

1.	Prepared for the State of	Arkansas					
2.	Department Use Only						
	State Tracking ID						
3.	Insurer Name & Address	Domicile	Insurer License Type	NAIC Group #	NAIC #	FEIN #	State #
	Penn Mutual Life Insurance Co. VIM: C3G Philadelphia, Pa 19172	PA	Life, Variable Contract	850	67644	23-0952300	
4.	Contact Name & Address	Telephone #		Fax #		E-mail Address	
	Rita Bellew Penn Mutual Life Insurance Co. VIM: C3G Philadelphia, Pa 19172	215-956-8290		215-956-8145		bellew.rita@pennmutual.com	
5.	Requested Filing Mode	<input checked="" type="checkbox"/> Review & Approval <input type="checkbox"/> File & Use <input type="checkbox"/> Informational Combination (please explain): _____ Other (please explain): _____					
6.	Company Tracking Number	FL-08(S)(AR), etc					
7.	<input checked="" type="checkbox"/> New Submission	<input type="checkbox"/> Resubmission	Previous file # _____				
8.	Market	<input checked="" type="checkbox"/> Individual <input type="checkbox"/> Franchise Group Small Large Small and Large Employer Association Blanket Discretionary Trust Other: _____					
9.	Type of Insurance	L09I Individual Life – Flexible Premium Adjustable Life					
10.	Product Coding Matrix Filing Code	L09I.001					
11.	Submitted Documents	<p><u>X FORMS</u></p> <div style="display: flex; justify-content: space-between;"> <div> <input checked="" type="checkbox"/> Policy Application/Enrollment Schedule of Benefits </div> <div> Outline of Coverage <input checked="" type="checkbox"/> Rider/Endorsement Other </div> <div> Certificate Advertising </div> </div> <p><u>Rates</u></p> <div style="display: flex; justify-content: space-between;"> <div>New Rate</div> <div>Revised Rate</div> </div> <p>FILING OTHER THAN FORM OR RATE: Please explain: _____</p> <p><u>SUPPORTING DOCUMENTATION</u></p> <div style="display: flex; justify-content: space-between;"> <div> Articles of Incorporation Association Bylaws <input checked="" type="checkbox"/> Statement of Variability <input checked="" type="checkbox"/> Actuarial Memorandum Other _____ </div> <div> Third Party Authorization Trust Agreements <input checked="" type="checkbox"/> Certifications </div> </div>					

12.	Filing Submission Date	April 14, 2008			
13.	Filing Fee (If required)	Amount	\$120.00	Check Date	03/26/08
		Retaliatory	Yes No	Check Number	0842862
14.	Date of Domiciliary Approval	Filed in Domicile state of PA on 4/10/08 and is pending approval			

**15.
Filing Description:**

The Penn Mutual Life Insurance Company is submitting the following forms for your review and approval:

<u>Form</u>	<u>Title</u>	<u>Form Replaced</u>
FL-08(S)(AR)	Flexible Premium Adjustable Life Insurance Policy	None
FL-08(U)(AR)	Flexible Premium Adjustable Life Insurance Policy	None
OPBA-08	Rider-Overloan Protection Benefit Agreement	None

Policy FL-08(S)(AR) and FL-08(U)(AR) are flexible premium adjustable universal life insurance policies to be marketed to insureds seeking protection, estate and business planning. FL-08(S)(AR) is a sex-distinct version of the policy. FL-08(U)(AR) is a unisex version of the policy and will only be used in those situations where the Norris decision is applicable. We have placed brackets around the variable information found in the specifications.

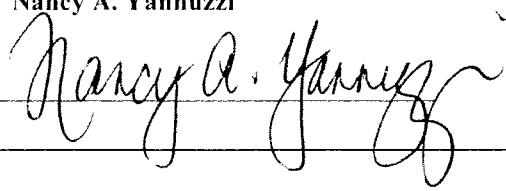
The enclosed form OPBA-08 is a rider that will prevent the policy from lapsing when the indebtedness on the policy exceeds or equals the amount as described in the Overloan Protection Benefit provision of the form. It is our intention to make the enclosed rider available on the above referenced policies, as well as other flexible premium adjustable life insurance policies that will be approved in the future by your department.

We have placed brackets around the variable information which is found on the Policy Specifications. The enclosed Statement of Variability lists the ranges for this variable information.

The application that will be used with these products is PM1143 approved by your department on 1/26/06.

These forms are sold through agents to individuals in the general marketplace.

Should you have any questions, please contact Rita Bellew by **phone** at 215-956-8290, **email** at bellew.rita@pennmutual.com, or **fax** at 215-956-8145.

16.	Certification (If required)		
I HEREBY CERTIFY that I have reviewed the applicable filing requirements for this filing, and the filing complies with all applicable statutory and regulatory provisions for the state of Arkansas			
Print Name	Nancy A. Yannuzzi	Title	Senior Manager of Policy Forms
Signature		Date:	04/14/2008

17.	Form Filing Attachment	
This filing transmittal is part of company tracking number		FL-08(S)(AR), etc.
This filing corresponds to rate filing company tracking number		

	Document Name	Form Number		Replaced Form Number
	Description			Previous State Filing Number
01	Flexible Premium Adjustable Life Insurance Policy	FL-08(S)(AR)	X Initial Revised Other	N/A
02	Flexible Premium Adjustable Life Insurance Policy	FL-08(U)(AR)	X Initial Revised Other	N/A
03	Rider - Overloan Protection Benefit Agreement	OPBA-08	X Initial Revised Other	N/A
04			Initial Revised Other	
05			Initial Revised Other	
06			Initial Revised Other	
07			Initial Revised Other	
08			Initial Revised Other	
09			Initial Revised Other	
10	t		Initial Revised Other	
11			Initial Revised Other	

LH FFA-1

18.	Rate Filing Attachment			
This filing transmittal is part of company tracking number			FL-08(S)(AR), etc.	
This filing corresponds to form filing company tracking number				
Overall percentage rate indication (when applicable)				
Overall percentage rate impact for this filing			%	
	Document Name	Affected Form Numbers		Previous State Filing Number
	Description			
01			New Revised Request + ____% - ____% Other _____	
02			New Revised Request + ____% - ____% Other _____	
03			New Revised Request + ____% - ____% Other _____	
04			New Revised Request + ____% - ____% Other _____	
05			New Revised Request + ____% - ____% Other _____	
06			New Revised Request + ____% - ____% Other _____	
07			New Revised Request + ____% - ____% Other _____	
08			New Revised Request + ____% - ____% Other _____	
09			New Revised Request + ____% - ____% Other _____	
10			New Revised Request + ____% - ____% Other _____	

LH RFA-1

STATEMENT OF VARIABILITY

Form Number(s) FL-08(S), FL-08(U), and OPBA-08

Enclosed is a sample copy of the above form, annotated at each item which is variable and contains brackets. Any use of variability shall be administered in a uniform and non-discriminatory manner.

Date: April 1, 2008

<u>Section</u>	<u>Page Number</u>	<u>Description</u>
Policy Specifications	Pg 3	- Specified Amount, Initial Premium and Planned Premium will vary based on the owner's financial objective.
Policy Specifications & Add'l Policy Specs	Pg 3, Pg 21, & Pg 21 (cont'd)	- Male will vary based on the insured's gender (if applicable). If this were a unisex policy, nothing would print (neither male nor female).
Policy Specifications & Add'l Policy Specs	Pg 3, Pg 21, & Pg 21 (cont'd)	- Rate Class will vary based on the insured's rate classification from one of the following: Standard Nontobacco, Standard Tobacco, Special Nontobacco, Special Tobacco, Preferred Plus Nontobacco, Preferred Plus Tobacco.
Policy Specifications	Pg 3	- The Maturity Date will vary based on the insured's issue age.
Policy Specifications	Pg 3	- The Schedule of Benefits will change based on the benefit selection of the policy owner.
Policy Specifications	Pg 3	- The Beginning premium payment date will vary based on when the policy owner chooses to make a payment.
Policy Specifications	Pg 3 (cont'd)	- The Maximum Surrender Charge Premium and The Initial Maximum Surrender Charge will vary based on the specified amount of the policy and the issue date.
Policy Specifications & Add'l Policy Specs	Pg 3 (cont'd) & Pg 21	- The Maximum Monthly Expense charge per \$1,000 of Specified Amount (for the first 120 months following the policy date will vary based each insured's rate class, issue age and gender (if applicable). The minimum charge is 0.296 and the maximum charge is 3.830.
Add'l Policy Specs	Pg 21 (cont'd)	- The Table of Guaranteed Maximum Monthly Cost of Insurance Rates per \$1,000 and The Table of Monthly No-Lapse Cost of Insurance Rates will vary based on each insured's rate class, issue age, gender (if applicable), reclassification and policy duration.
Policy Specifications	Pg 3	- The Overloan Protection Benefit Agreement Specified Loan Percentage and the No-Lapse Percent of Premium Charge will vary in the event the Company would wish to change this information. Any changes would be filed with the state and would only apply to new issues.
Add'l Policy Specs	Pg 21 (cont'd)	- The No-Lapse Tier Growth Percentage will vary based on the specified amount, insured's rate class, issue age, gender (if applicable), policy date and the death benefit option.

Add'l Policy Specs	Pg 21 (cont'd)	- The Tier Interest Rates will vary based on the Specified Amount, insured's rate class, issue age, gender (if applicable), policy date and the death benefit option.
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CONT'D

<u>Section</u>	<u>Page Number</u>	<u>Description</u>
Front Cover of Policy Back Cover of Policy	Front Cover of Policy Back Cover of Policy	- We have placed brackets around the signatures and the Company address. The signatures may change based on the individual holding the position of authority to sign the policy form. The address may change if our home office moves to a different location. If the signatures or address change, an informational filing will be sent to the Department prior to use.
Last pg of Rider OPBA-08	Last pg of Rider OPBA-08	